

# Estonia and Its Jews Remember a Nazi Horror

By Fred Hiatt

Washington Post Service

KLOOGA, Estonia — Fifty years ago this month, Nazi officers committed one of the most brutal crimes of the Holocaust here. With their Estonian collaborators standing guard, the Germans forced more than 2,000 Jews to build their own funeral pyres and then shot most of them before setting them all on fire.

Thursday, in a sunlit forest clearing cooled by a Baltic Sea breeze, Estonians and Jews, including a handful of survivors of the Klooga massacre, gathered on the concentration-camp site to unveil a new memorial to the victims.

To the mournful music of a solo violin and the Jewish Prayer for the Dead, in Hebrew and Estonian and some Yiddish, ceremony took place a day after Russian troops finally left Estonia, putting an end to Estonians' minds to World War II.

For survivors like Avram Wapnik, 68, there was pain in the return but also some satisfaction in finally seeing a memorial to the fallen Jews. The Soviets had erected a monument here before turning the area into a military base, but their monument had honored only "Soviet citizens" — which most of the victims were not.

And for Estonia's 3,000 Jews, official support for the memorial from the country's new democratic leaders held out the promise of a new era of tolerance.

"We don't forget that some Estonians participated in the action against Jews," Gemady Gramberg, leader of the Jewish community in Estonia, said. "It's true, and we don't forget."

"But on the other hand, I think this monument will raise some consensus in our society," he said. "We cannot blame one another all the time."

Unlike its Baltic neighbors, Latvia and Lithuania, Estonia was home to only a few thousand Jews before the war, and the Nazis, after occupying Estonia in 1941, killed all who had not fled. But from 1942 to 1944, the Germans deported Jews to

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# British Hedge Reply On IRA's Truce Call

## In Ulster, Elation On One Side but Gloom on Other

## Major Holds Out For 'Permanent' End to Violence

By William E. Schmidt  
New York Times Service

LONDON — The British government found itself locked in a war of words, or rather a war over a single word, in its dilemma over how to respond to the Irish Republican Army's cease-fire, which took hold in Northern Ireland early Thursday.

The word is "permanent." For eight months, the government of Prime Minister John Major has insisted that for Sinn Féin, the political arm of the IRA, to enter into exploratory talks about peace it must renounce violence once and for all.

The cease-fire announcement Wednesday, widely hailed as a breakthrough that could hasten an end to 25 years of bloodshed, sidestepped this particular linguistic formulation and spoke instead of "a complete cessation of military operations."

For the British government and for the Protestant unionists, who want Ulster to remain part of Britain, this was not quite enough. Even if the cessation were "complete," that did not mean the campaign of violence could not be resumed at some point in the future, they argued.

Accordingly, Mr. Major issued a double-edged statement in response. Although he said he was "greatly encouraged" by the IRA's announcement, he wanted more assurance that "this is indeed intended to be a permanent renunciation of violence, that is to say, for good."

His stand comforted the moderate Ulster unionist politicians, grouped around James Molyneux, head of the Ulster Unionist Party, who hate the IRA, are suspicious that deals may be struck behind their backs and yet are also attracted to the idea of eventual peace if it does not mean joining the Irish Republic.

The position of half-accepting, half-rejecting gives the Ulster moderates and Mr. Major time to reflect and work out a more studied reaction to events that suddenly seem fast-paced.

But it also leaves the prime minister open to accusations of being obtuse and nitpicking. Throughout the day, pressure was building from many quarters for him to be more flexible and to proclaim that the IRA statement was sufficient to launch a three-month testing period to see if the peace could hold.

John Hume, head of a Roman Catholic nationalist party and the key figure in talks leading up to the breakthrough this week, was first to express astonishment at Mr. Major's interpretation. "I am just amazed at the playing of words that is going on," he said. He added that the IRA statement

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LOST CHILDREN — Rwandan refugees lining up for photos near Goma, Zaire, in a Unicef program to reunite 10,000 children and their families.

# Behind Veil of Segregation, Saudi Women Push Ahead

By Nora Boustany

Washington Post Service

RIYADH — Three years after the Gulf War prompted the first stirrings of a movement by Saudi women for greater freedoms, the public campaign has long since been suffocated by new official restrictions, and a lower-profile struggle has ensued for advancement in the business and professional world.

The brief spark from a protest by 47 women who drove cars in downtown Riyadh on Nov. 6, 1990, has been extinguished. Saudi women are forbidden from driving, and many of those involved in the protest lost their jobs temporarily and

were reprimanded for causing embarrassment to the kingdom at a time of more pressing national issues.

In addition, the setback has left even the most outspoken of women fearful of voicing their frustrations or views.

As Saudi women prepare for careers in business and the professions — outnumbering men in some of the sciences and medical fields and mastering the use of computers — they are still excluded from public debate.

Women run investment firms, manage shops and work in hospitals. Except for the hospitals, however, all work sites in Saudi

Arabia are segregated. The secret hope many harbor is that changing needs will reshape the role and participation of women. "But whatever we do, we are in a pioneering role," said Shuaa Rashed, a radio broadcaster.

One prominent businesswoman running her father's investment concern said she ignored the rules.

"I deal with men," she said with a shrug as she served Thai carry-out food in her kitchen while fielding calls from male employees seeking instructions. "Am I legal? No, but I do it. Everybody knows, and nobody is stopping me."

"The worst thing you can do in the Arab world is ask for permission," she said. "The answer will always be 'No.'"

Leila Thulaima, head of a Studies Committee on Preventive Medicine, said: "There are all these fields for men. Somehow, we are struggling and getting through the holes, pushing forward."

Abdullah T. Dabbagh, secretary-general of the Council of Saudi Chambers of Commerce and Industry, said there were 6 male doctors and 10 female doctors in his extended family, "which gives you an indication."

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# North Korea Seeks the Return of Carter

By James Sternberg

New York Times Service

SEOUL — Kim Jong Il, the reclusive Communist leader who is expected to succeed his father as the absolute ruler of North Korea, has invited former President Jimmy Carter to Pyongyang to mediate the dispute with the United States over the North's nuclear ambitions, according to American officials.

Though Mr. Carter has reportedly not accepted the invitation yet — his second in recent months — the move was important for giving some insight into the thinking of Mr. Kim, a mysterious man who dropped out of sight shortly after his father, Kim Il

Sung, died in early July, and whose official status remains uncertain.

Mr. Kim reportedly indicated in a letter to Mr. Carter that he would continue to follow the flexible policy on the nuclear issue that his father adopted shortly before his death from a heart attack. But he expressed no interest in rescheduling what would have been an historic first meeting with President Kim Young Sam of South Korea. The meeting was to have taken place just two weeks after Kim Il Sung died.

The invitation was reported here Thursday in a major daily newspaper, the JoongAng Daily News, and was confirmed by a

American government official in Washington, who said that the letter had been received several weeks ago and that Mr. Carter had yet to accept the invitation.

It was clear, however, that the American government — which, thanks to an earlier effort by Mr. Carter, is already engaged in high-level negotiations with North Korea — was unenthusiastic about the prospect of Mr. Carter's opening a new and uncertain channel to the North Korean government. The South Korean government has been little short of hostile to the idea.

"This has to be looked at a little negatively," said a State Department spokesman.

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# CBS and NBC Are Subjects of Sale Talks

By Geraldine Fabrikant

New York Times Service

NEW YORK — In moves that could lead to a change of ownership for two of the three major American television networks, Time Warner Inc. is negotiating to buy NBC, and Walt Disney Co. has apparently contacted CBS Inc. about buying that network.

Time Warner, which already has extensive holdings in cable television, has held talks in recent weeks with General Electric Co. about buying its NBC Network subsidiary and some of NBC's cable services for about \$2.5 billion in stock and cash,

several people familiar with the negotiations said.

To hear its critics, NBC has never been a good fit for General Electric, which acquired the network in 1985 and has since seen it slip to third place from first in the prime-time ratings.

Disney, meanwhile, has expressed interest to CBS about a buyout, a person familiar with the talks said. Earlier this summer, CBS nearly merged with QVC Inc., a cable-channel home-shopping company.

[Representatives for Time Warner declined to comment. Reuters reported in New York. Robert C. Wright, president of

the NBC network, said The New York Times report was "grandiose."

"That story is not accurate," he said. But Mr. Wright declined to detail any inaccuracies or talks that were occurring among the companies.

An industry executive familiar with NBC's side of the negotiations said: "It's all true. Time Warner has held talks both with Jack Welch and Bob Wright."

He was referring to John F. Welch Jr., the chairman and chief executive of General Electric, as well as Mr. Wright.

Representatives for General Electric and Time Warner declined to comment on any talks, as did Judy Smith, an NBC spokeswoman. A person close to Time Warner said he would give the deal less than a 50-50 chance of happening.

In the case of CBS, the company's chairman, Laurence A. Tisch, denied that there were any discussions with Disney. Disney declined to comment.

Two executives with knowledge of the discussions said Disney had also held talks recently with Mr. Wright of NBC about

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# Kiosk U.S. and Cuba Meet on Exodus

NEW YORK (AP) — Hoping to halt the flood of Cubans trying to reach the United States, U.S. officials met with a Cuban delegation Thursday to discuss the exodus and the possibilities of legal migration.

Michael Skol, the chief U.S. delegate at the talks, rejected suggestions that discussions might cover wider issues, such as lifting the 32-year-old U.S. economic embargo against the Caribbean island. Cuba has been seeking broader talks.

Several hundred refugees were picked up at sea by the U.S. Coast Guard and a navy ship early Thursday. On Wednesday, 2,159 Cubans were picked up, as the exodus resumed in earnest after several days of bad weather.

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Bridge Page 9.  
Crossword Page 19.



A British soldier was all smiles in Belfast on Thursday after the IRA cease-fire.

# 3 R's: Rights, Religion and Revised Lenin

By Margaret Shapiro

Washington Post Service

MOSCOW — Clutching bouquets for their teachers, millions of Russian children began a new school year on Thursday with textbooks wiped clean of communist ideology and filled instead with information that educators hope will be a preparation for the post-Soviet era.

Civil rights, freedom of expression, basic business ideas and regional histories have replaced beginner readers featuring "Grampa Lenin" and history books heavy on class struggle.

Writers acclaimed by the old regime have been downgraded in favor of better ones long-suppressed. Pictures of communist leaders are gone, and their sayings have been exchanged for quotes from the Bible and Koran.

"What is changing today is not the technology or the methods of education, but the very world of education," said the deputy education minister, Alexander Asmolov. "With the help of the school books we may change the mentality of Russians."

Although the communist system and the

Soviet Union collapsed in 1991, there was no instantaneous change in schooling.

Students and teachers continued to use the ideology-laden texts and improvised as best as they could. Some found foreign textbooks and translated them; others wrote information out by hand. Many simply did nothing, and continued to teach what they had always had.

The result was an odd disconnect between the drastically transformed Russia and its schools that many here felt was not

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Newstand Prices	
Andorra.....9.00 FF	Luxembourg 60 L. Fr
Antilles.....11.20 FF	Morocco.....12 Dh
Cameroon.....1.400 CFA	Qatar.....8.00 Rials
Egypt.....E.P. 5000	Reunion.....11.20 FF
France.....9.00 FF	Saudi Arabia 9.00 R.
Gabon.....900 CFA	Senegal.....500 CFA
Greece.....300 Dr.	Spain.....200 PTAS
Italy.....2.000 Lire	Tunisia.....1.000 Din
Ivory Coast.....1.120 CFA	Turkey.....T.L. 35,000
Jordan.....1 JD	U.A.E.....8.50 Dirh
Lebanon.....US\$1.50	U.S. Mil. (Eur.) \$1.10

Dow Jones		Trib Index	
Down	11.98	Down	0.10%
3901.44		117.59	
The Dollar		Previous Close	
New York	1.5744	1.5818	
London	1.5454	1.5335	
Paris	99.75	100.19	
Yen	5.391	5.4135	



## Karadzic Threatens Sanctions on Foes

He Demands Belgrade End Embargo

Reuters

PALE, Bosnia-Herzegovina — The Bosnian Serb leader, Radovan Karadzic, threatened Thursday to cut gas, water, power and food supplies to Bosnia's Muslim and Croatian communities unless Belgrade ended an economic blockade against its ethnic kin.

"We have the full right to impose sanctions against the Muslims, to prevent even a bird from flying to them, until the world compels Yugoslavia to lift economic sanctions," he said in a speech to the Bosnian Serb assembly. "You can expect within the next few days the strictest possible sanctions against the Muslims until Yugoslavia lifts its embargo against us."

Assembly members had gathered to ratify the result of a referendum last week rejecting the latest international peace plan for Bosnia.

Belgrade imposed a trade embargo on Bosnia's Serbs four weeks ago to punish them for refusing to agree to the plan, which would force them to give up roughly a third of the territory they now hold.

■ **U.S. General Criticized**

Daniel Williams of the Washington Post reported from Washington.

An American general has met with a Serbian general suspected of ordering the deaths of civilians in a campaign of ethnic cleansing even though, State Department officials said, they had advised him not to do so.

Lieutenant General Wesley Clark, the Joint Chiefs of Staff's director of strategy, plans and policy, met Saturday with General Ratko Mladic, who was named a war crimes suspect by a previous secretary of state, Lawrence S. Eagleburger.

A spokesman for the Joint Chiefs of Staff said, however, that General Clark had not been aware of any directions he had received from General Mladic. What State Department officials said they found especially disturbing was a photograph of General Clark and General Mladic wearing each other's caps. The picture appeared in several European newspapers, U.S. officials said.

General Clark accepted as gifts General Mladic's hat, a bottle of brandy and a pistol, U.S. officials said.

The spokesman said General Clark would not elaborate on the conversation he had with General Mladic. As for the gifts, the spokesman said they were a customary feature of military meetings.

The Muslim-led Bosnian government inquired about the meeting, incensed that the State Department had recently rejected a trip by one of its generals to Washington.

Some European allies asked whether General Clark's visit portended a change in U.S. policy, which holds that the Serbs are the aggressors in Bosnia. On Wednesday, the State Department cabled its embassies in Europe to say that there had been no policy change.

## Kohl Party Outlines Reforms for EU

Reuters

BONN — Chancellor Helmut Kohl's Christian Democratic Union on Thursday proposed far-reaching reform of the European Union and said member states should move at different speeds toward closer integration.

In a paper presented by the party's parliamentary leader, Wolfgang Schäuble, the party called for more majority voting curbs on the right of individual states to veto EU decisions and the development of common foreign and defense policies.

Mr. Schäuble said the 12-nation bloc would have to adopt the concept of "variable geometry" to ensure the admission of new members did not slow down the process of political and economic union.

Explaining the concept, he added: "For a transitional period we must accept as the lesser evil that not all members will take part in every step of integration at the same time."

The paper said new forms of majority voting should be considered to replace the principle of unanimity. "It is essential that no country should be allowed to use its right of veto to block the efforts of other countries more able and willing to intensify their cooperation and deepen integration," it said.

Although the party's paper has no official status, the fact that it was presented by a political heavyweight such as Mr. Schäuble and distributed in English and French as well as German suggested it reflected Mr. Kohl's views.

The document, drawn up by Christian Democratic Union foreign policy experts in both the German and European Parliaments, called for more democracy and openness in the EU. It said Parliament should become a genuine lawmaking body with the same rights as the Council of Ministers, which

should take on the functions of a second chamber. The executive commission should take on features of a European government.

The paper said five former communist countries — Poland, the Czech and Slovak Republics, Hungary and Slovenia — should be admitted to the EU around the year 2000, but there would have to be long transition periods before they acquired the full rights and obligations of membership.

The party's paper echoed in part a call by Prime Minister Edouard Balladur of France on Monday for a three-tier Europe in which the strongest states would form the hard core.

"The existing hard core of countries oriented to greater integration and closer cooperation must be further strengthened," the paper said, referring to Germany, France, the Netherlands, Belgium and Luxembourg.

**Jordanian to Visit Kuwait**

The Associated Press

AMMAN, Jordan — A ranking Jordanian diplomat, Mashaour Zeben, will visit Kuwait for four days beginning Saturday.

## Court Rule on Gay Petty Officer Casts Doubt on Clinton Policy

By Jane Gross

New York Times Service

SAN FRANCISCO — A U.S. appeals court has ruled that the navy cannot discharge a homosexual flight instructor merely because he is gay, a holding that challenges the military's old policy and casts legal doubts on the Clinton administration's revised regulations.

The ruling Wednesday, by the U.S. Court of Appeals for



President Lennart Meri of Estonia celebrating the departure of Russian troops.

## Relic of Russia's Lost Empire

Baltic Center Deemed Irreplaceable Is Now Deserted

Washington Post Service

PALDISKI, Estonia — In this long-closed Baltic Sea port, generations of Soviet sailors trained to operate the strategic submarines that kept the United States under constant threat of attack by nuclear missiles.

More than 2,000 navy men at a time cycled through the center, where one building alone held more than 700 classrooms. Two reactors gave the sailors practice in operating nuclear-powered engines under the sea.

Now the central academy is deserted, its perimeter patrolled by a few Estonian soldiers with guns and dogs.

Its classrooms have been stripped bare by retreating Russian sailors, and only a few unwanted objects provide a haunting reminder of the empire Russia has lost: an accordion on a dusty windowsill, an empty vodka bottle, a black-and-white photograph of former President Mikhail S. Gorbachev.

The remaining 6,000 residents of the town that served the naval base, of whom only 250 are Estonian citizens, wonder how they will make a living.

Few of the losses of Russia's withdrawal, which was completed Wednesday, will be

regretted as sharply as Paldiski, according to officials in Estonia and Russia.

During three years of thorny talks over troop withdrawals, Moscow insisted that the base was strategically irreplaceable and had to be maintained. In the end, though, Estonia's demand that all foreign troops leave its soil won out.

As a result, Russian experts began decommissioning the first of the two nuclear reactors Aug. 24. In an operation so delicate that Paldiski's residents were encouraged to spend the day at the zoo in Tallinn, about 40 kilometers (25 miles) to the east, the experts lifted the roof of the reactor and began withdrawing the spent fuel rods, which will be sent back to Russia for disposal.

According to an agreement reached in July between Presidents Lennart Meri of Estonia and Boris N. Yeltsin of Russia, those 210 Russian experts and their families will be permitted to stay in Paldiski for about a year to complete the decommissioning.

Then they too will leave, ending any official Russian presence in a port captured by Peter the Great from the Swedes in 1710.

—FRED HIATT

## Gadhafi Seeking Ways to Ease Sanctions

By Robin Wright

Los Angeles Times Service

WASHINGTON — In one of several attempts to ease the tightening grip of United Nations sanctions, Colonel Muammar Gadhafi's troubled regime in Libya has held out the prospect of turning over an indicted CIA renegade to American sources and a former CIA official.

Libya may also be willing to pay millions of dollars in compensation to families of those who died in the 1988 bombing of the Pan Am 103, in hopes of eliminating its most outspoken critics and thus easing international pressure, according to family and their representatives.

But neither the Clinton administration nor the families of victims appear interested in either possibility because they want to maintain pressure on the regime and hold it accountable for the disaster. United Nations sanctions imposed in December and plummeting prices have cut annual oil revenues from \$21 billion a decade ago to about \$6 billion, making this the most difficult year of Colonel Gadhafi's rule, according to U.S. and Arab officials.

As a result, Tripoli has spent at least \$50 million in two years on ploys first to prevent sanctions, then to negotiate an easing of the punitive economic, arms and air travel restrictions, a U.S. official said. The sanctions were imposed after Libya failed to cooperate with investigations of the Pan Am 103 disaster and the bombing in 1989 over Niger of a French airliner in which 171 died.

"The Libyans are out there trying to make as many inroads as possible," said a senior U.S. counterterrorism official. "Every third person who has ever held a government position in this town has called us and said they've been approached."

One of the latest incidents centers on Frank Terpil, the CIA renegade communications expert indicted with a CIA undercover agent, Edmund Wilson, in 1980 for conspiring to kill a Libyan dissident and for selling tons of explosives to Libya.

Mr. Terpil — convicted in absentia and sentenced in New York to 30 years on arms charges — has spent the intervening years in Libya, Syria and Lebanon, as well

as in Eastern Europe before communism's demise there. According to a former government official, Mr. Terpil recently has spent limited time in Libya and has been spotted throughout Eastern and Western Europe.

Abdullah Sanoussi, chief of Libyan intelligence, was scheduled to meet in late June in Cairo with Vincent Cannistraro, a former CIA counterterrorism expert, to discuss possible assistance with Mr. Terpil's capture, according to Mr. Cannistraro and U.S. officials.

The meeting did not take place, but Libya's approach to Mr. Cannistraro fits what has become its modus operandi of trying to hire well-known figures to plead its case. Having appeared on many U.S. television programs and served as an ABC News consultant, he is now the most visible former CIA counterterrorism official.

Mr. Cannistraro said he agreed to talk with the Libyan intelligence chief as a "volunteer" and did not stand to benefit from the meeting financially or otherwise. He described Libya's motive as "an attempt to get out from under sanctions."

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## Pasqua Defends Expulsions Of Muslims

Compiled by Our Staff From Dispatches

PARIS — Interior Minister Charles Pasqua on Thursday defended France's expulsion of 20 Algerian Muslim militant suspects to Burkina Faso and said he would deport more if necessary to assure security.

"Do I have to wait until bombs blow up in our country and kill French people, or should I intervene ahead of time in order to dismantle the networks?" he said on Europe 1 radio.

"As soon as they cross the yellow line in some way and become a menace to the republic and to the safety of the French people, one must intervene," Mr. Pasqua said.

"That's what we did, and we will do it again," he added.

In another development, the French police arrested at least 11 Algerian and Moroccan immigrants on Thursday linked to suspects in the recent murder of two Spanish tourists in Morocco. Those arrested were accused of association with a terrorist operation, suggesting that the Moroccan police believe the suspects in the Marrakech incident were terrorists.

Authorities said Judge Jean-Louis Bruguiere ordered the sweep on the basis of information provided by the Moroccan police after the arrest of four suspects in an Aug. 24 murder-robbery at a Marrakech hotel.

Mr. Pasqua said the Algerians were deported because they had used French soil to support a terrorist network.

Human-rights leaders and lawyers for the expelled men, stunned by the swiftness and secrecy of the government's move, protested that it had been timed to head off a court hearing due on the legality of the internments.

The crackdown, ordered by Mr. Pasqua, was seen as a declaration of all-out war on Muslim fundamentalists who are fighting the Algerian government.

(Reuters, AP)

## WORLD BRIEFS

### Zaire Wants Refugees Out in Month

GOMA, Zaire (Reuters) — Zaire said Thursday that it wanted the 1.2 million Rwandan refugees on its territory to leave by the end of the month and promised to stop Hutu militiamen who are terrorizing refugees into staying.

"Our wish is that all the Rwandan refugees should leave by Sept. 30, 1994," Justice Minister Kamanda Wa Kamanda said. Speaking at the start of a ministerial meeting with the Rwandan government, he said Zaire would encourage the refugees return by halting the activities of Rwandans hostile to the new government in Kigali and disarming and encamping members of the former Rwandan government army, 28,000 of whom are in Zaire.

Aid officials say many Hutu refugees wishing to return have been frightened into staying by Hutu militiamen who accuse those thinking of leaving of taking sides with the Rwanda Patriotic Front, which won the civil war and is dominated by members of the minority Tutsi community.

### Panama's New Leader Takes Office

PANAMA CITY (Reuters) — Ernesto Pérez Balladares took office Thursday as president of Panama. The businessman is the country's first freely elected leader in nearly three decades.

Mr. Pérez Balladares took over from former President Guillermo Endara, who was installed during the 1989 U.S. invasion of Panama that ousted strongman Manuel Antonio Noriega and ended more than two decades of military rule.

### China Said to Bar Disabled Athlete

BEIJING (NYT) — A Chinese athlete whose legs were crushed by an army tank during the June 4, 1989, military crackdown around Tiananmen Square has reportedly been prevented from competing in China's handicapped athletic games.

A spokesman for China's national sports commission and the Far East and South Pacific Disabled Games would not comment Thursday on reports that Fang Zheng, whose legs were amputated after he was run over, has been ejected from the games, which started Thursday.

### German Youth's Letter Admits Arson

DUSSELDORF (Reuters) — One of four Germans on trial for the arson murder of five Turkish immigrants admitted the attack in a letter to a friend, the court was told Thursday.

The chief judge revealed the existence of the letter after it was passed on to him by a lawyer for a young woman. The judge said Christian Reher, 17, wrote that he alone set fire in 1993 to the home of the immigrant family in Solingen. It was not clear whether the letter would carry the same weight as a legal confession.

### Carlos Interests the Swedish Police

STOCKHOLM (AP) — Policemen investigating the murder of Prime Minister Olof Palme in 1986 want to look at revolvers found at the home of the accused terrorist Carlos, officials said Thursday.

Carlos, whose real name is Illich Ramírez Sánchez, had two 357-caliber handguns in a safe when he was detained in Sudan last month, the Swedish newspaper Aftonbladet reported. The same type of powerful gun was used when Mr. Palme was shot in Stockholm.

### UN Aid Workers Quit Liberian City

MONROVIA, Liberia (Reuters) — United Nations aid workers withdrew from Liberia's capital Thursday from the central city of Gbarnga, saying security in the region had eroded to a point where they could no longer operate there.

Gbarnga, stronghold of the militia leader Charles Taylor, is under attack by opposing guerrilla groups from at least two directions, and there has been fighting there between rival factions within Mr. Taylor's National Patriotic Front.

The United Nations World Food Program said its convoys had been stopped and harassed by Front fighters, and 9 out of 18 vehicles seized by Mr. Taylor's guerrillas were still missing, despite a pledge by the warlord to return them.

### U.S. Troops in Russia for Maneuvers

MOSCOW (Reuters) — American soldiers arrived in Russia's southern Urals on Thursday to take part in a nine-day joint peacekeeping exercise, a Russian Defense Ministry spokesman said.

Russian troops welcomed General Leonard Holder, commander of the U.S. Army's 3d Infantry Division, to Toksk, in the Orenburg region, not far from the Kazakh frontier. The two countries' national anthems were played at the ceremony.

The maneuvers, involving 250 U.S. servicemen, are code-named Peacekeeper 94. They are designed to work out tactics, techniques and procedures for future U.S.-Russian peacekeeping operations. The troops will practice mounting patrols, setting up refugee camps and escorting humanitarian convoys.

## TRAVEL UPDATE

### U.S. Extends Ban on Lebanon Travel

WASHINGTON (AP) — Warning that travel to Lebanon carries "unacceptable risks," the United States government has extended into an eighth year its official ban on American citizens going there. Continuation of the restriction, imposed after a wave of hostage-taking, murders, plane hijackings and bombings, drew a mixed reaction from Arab-American and Lebanese-American groups.

"We recognize and support progress in the reconstruction of Lebanon being made under Prime Minister Hariri's leadership," the State Department said. "However, events there continue to show that Lebanon is still a dangerous place. No U.S. citizen in Lebanon, official or private, can be considered safe from terrorist acts."

At a news conference, Albert Mokhiber, president of the American-Arab Anti-Discrimination Committee, condemned the ban's extension as "arm-twisting" that was aimed at getting Lebanon to sign a peace accord with Israel.

European airlines continued to benefit from a travel boom in July, with passenger traffic 8.5 percent higher than the same month last year, the Association of European Airlines said Thursday in Brussels.

A total of 93 people were killed in accidents in the French Alps from June through August, and 726 were injured. The figures last year were 70 dead and 630 injured. Rescue officials traced the increase to good weather in June and July that attracted many more people to the mountains. (AFP)

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## THE AMERICAS / THE INVASION DEBATE

## POLITICAL NOTES



DECISIONS, DECISIONS — Hillary Rodham Clinton and her daughter, Chelsea, holding a strategy conference during a bicycle outing on Martha's Vineyard.

## Clinton and 'Nasty' TV News

WASHINGTON — President Bill Clinton has been badly battered by television news coverage since taking office, with negative assessments filling the airwaves in every month but one, a new study says.

At a time when some journalists are questioning whether media coverage of politicians has become too cynical, the report from the Center for Media and Public Affairs may help fuel an emerging argument that, whatever his own mistakes, Mr. Clinton has been unfairly painted as a failed president.

From Inauguration Day through late June 1994, Mr. Clinton has been the target of more than 2,400 negative comments on the network evening newscasts, an average of nearly five per night, the center found. He drew far greater coverage, and far more negative coverage, than George Bush did in the first 16 months of his presidency.

The study, which tabulates explicitly positive and negative comments from all sources, found that nearly 62 percent of the evaluations of Mr. Clinton were negative. When obvious partisan, such as administration officials or congressional Republicans, were excluded, nearly three out of four assessments of Mr. Clinton were negative on "NBC Nightly News," "CBS Evening News" and ABC's "World News Tonight."

"We've hit the point where the coverage is so nasty and there's so much of it that it's produced a qualitative difference in the way people feel about their president," said Robert Lichter, the center's director. "There's a feeling that this guy is a scoundrel because there's such a hostile media environment. He's had the misfortune of being president at the dawn of an age that combines attack-dog journalism with tabloid news." (WFP)

## Air Force Uniform Grounded?

WASHINGTON — Friends of General Ronald R. Fogleman are predicting that one of his first changes as new air force chief of staff later this year will be to scrap the controversial officers' uniform launched by his predecessor, General Merrill A. McPeak, in 1991.

The design, which combines an airline-style jacket and trousers with naval officers' stripes on the sleeves, was intended to bring

U.S. Air Force uniforms closer to those of Britons and other North Atlantic Treaty Organization allies. But it bombed here at home, where air force veterans derided it as "looking like a bunch of Delta Air Lines pilots who are working for the navy." (LAT)

## National Debt Hits the Road

PEORIA, Illinois — David Wilhelm, who is leaving his job as chairman of the Democratic National Committee after a string of election defeats, probably can be blamed for the political bus, too.

It was Mr. Wilhelm who, in 1992, conceived the idea of the campaign bus tour, which became the centerpiece of Bill Clinton's and Al Gore's march to the White House. The device was so successful that by 1996 there could be gridlock on the nation's highways as candidates for everything from president to sheriff take to the road in a motley assortment of vehicles.

There already has been a health-reform bus this year, and now this: a white rental truck hauling a long blue trailer attached to which is a 3,300-pound digital "clock," which, when last seen, displayed the number \$4,678,061,157,557. It embarked from Peoria on Wednesday on an eight-week, 10,000-mile journey to 29 states to remind Americans of what most vaguely recognize as a serious national concern: the deficit and the national debt.

The clock belongs to the Concord Coalition, an organization founded in 1992 by two former senators, Warren B. Rudman, Republican of New Hampshire, and Paul E. Tsongas, a Massachusetts Democrat, to pressure Congress to eliminate the annual federal budget deficit and begin to whittle away the \$4-trillion-plus national debt. Usually, the clock is kept in a warehouse just outside Washington and hauled out for special occasions. But Washington, where the deficit is approved each year, has not been particularly receptive to the coalition's message. (WFP)

## Quote/Unquote

Ken Bode, host of "Washington Week in Review" on public television and a teacher at DePaul University in Indiana, on Mr. Clinton: "His problem is he doesn't seem to know what he stands for, and the people out here don't trust him." (WFP)

## 2 Key Lawmakers Split on Using Force in Haiti

By Eric Schmitt  
New York Times Service

WASHINGTON — Shortly after the Clinton administration delivered a harsh warning to Haiti's military leaders, two leading members of Congress expressed sharply divided views on using force to restore democracy there.

Lee H. Hamilton, chairman of the House Foreign Affairs Committee, said on a CBS News program Wednesday that he believed Congress and the public would support an invasion. But Richard G. Lugar, who serves on the Senate's Foreign Affairs Committee, strongly disagreed in comments on an NBC News program.

"I think we're right at the point of invasion," said Mr. Hamilton, Democrat of Indiana. "I don't think you can send two high-ranking officials to the Caribbean making the kinds of comments that they made yesterday without following through."

He was speaking of a visit to Jamaica on Tuesday by Deputy Secretary of State Strobe Talbott and Deputy Defense Secretary John M. Deutch to confer with representatives of 13 Caribbean nations. The countries agreed to contribute a token force of 266 troops to support an American-led invasion to restore Haiti's exiled president, the Reverend Jean-Bertrand Aristide.

In a news conference at the State Department on Wednesday, Mr. Talbott and Mr. Deutch repeated a message to Haiti's rulers that they had to leave or would soon be forced from power.

Senator Lugar, a Republican who like Representative Hamilton is from Indiana, said: "The American people are not convinced that we have vital interests in invading Haiti, despite immigration, which we believe might continue even if Mr. Aristide was restored. And we've really not had a policy of forcing democ-

racy on a country, however despicable that regime might be."

A contradiction is undercutting the administration's threats. Senior American officials say the Haitian generals must soon or face an invasion. But they also say they want to exhaust all other options, including a trade embargo and other economic sanctions imposed against Haiti since Father Aristide's ouster in 1991.

If the United States is serious about giving sanctions a chance, it could be several weeks or months before President Bill Clinton orders an invasion.

An 88-member, multinational observer force that is supposed to help the Dominican Republic seal its border to prevent smuggling into Haiti has yet to begin its mission and will not be operating fully until mid-September.

Training for the 266 troops from Jamaica, Trinidad and Tobago, Barbados and Belize will begin over the next two weeks at a U.S. Navy base in Roosevelt

Roads, Puerto Rico, but will take two to three more weeks to complete, a senior Pentagon official said.

About 30 U.S. Army special operations trainers stationed in the Caribbean who have special language skills will instruct the troops in crowd control, first aid, roadblocks, communications, peacetime rules of engagement and the use of weapons.

The Caribbean troops are to form part of a 10,000-member, American-led force that would go into Haiti whether the generals left on their own or were forced out.

## Bush Challenges Policy

Former President George Bush on Wednesday attacked President Clinton's threatened invasion of Haiti. Reuters reported from Buenos Aires.

"I don't want to see United States soldiers occupying foreign territory," he said at a banking conference. "We should not use force against Haiti."

## The Slow Way to Escape Cuba

Those Who Avoid the Sea Keep Waiting for U.S. Visas

By Tim Golden  
New York Times Service

HAVANA — Just beyond the green-glass offices of the United States Mission here, a few hundred yards from the seas dotted with the rafts of fleeing Cubans, scores of people gather each morning on a small patch of gravel and cement known as the Park of Lamentations.

Sitting in the shade of almond trees, they have become a steady reminder of how difficult it is for Cubans to travel to the United States by legal means. They are all waiting to see about visas and, under the current procedures, they may be waiting for months or even years.

"I don't want to throw myself into the sea, but what else can you do?" asked José Miguel Gómez, a young man in the park. "You can sit here a long time and nothing happens."

If successful, the negotiations between Cuban and American officials that began Thursday in New York may not help the raft refugees but could deliver some of "the Lamenting Ones."

American officials say they will offer to quicken the flow of legal immigrants in return for renewed efforts by Havana to stop those who, as it is said here, "throw themselves into the sea." Yet after days in which thousands of Cubans have braved sharks and storms in the hope of a better future, many diplomats and other analysts

have grown skeptical that such a deal would relieve the growing pressure for emigration.

"If there is a migration deal that satisfies 20,000, there will be 200,000 who want to go," a diplomat said.

Speaking of Cuba's president, Fidel Castro, he added, "He will not be able to stop people from leaving now without using force and drawing blood, and I don't think he is going to do that."

Analysts perceive varying degrees of intensity in the desperation that is driving the refugees from the island. But they generally agree that the economic suffering and political discontent that have caused the exodus will not decline significantly over the next several years, barring an unexpected reversal of government policies.

Most of those taking to sea are men in their 20s and 30s, starkly pessimistic about their futures and often without family in the United States.

Describing them as largely less employed and less educated than other members of their generation, a Cuban official called them "almost undesirable" — an allusion to the criminals and psychiatric patients released among the 125,000 Cubans who fled in the Mariel boatlift in 1980.

Among the 19,700 Cubans awaiting action on immigrant visa requests, the average age is closer to 50, U.S. immigration officials say.

## Time Inc. Is Said to Pick Editor in Chief

By Doron P. Levin  
New York Times Service

NEW YORK — Norman Pearlstine, former executive editor of The Wall Street Journal, has been selected as editor in chief of Time Inc., according to a top executive of Time Warner Inc.

The executive said Gerald Levin, chief executive of Time Warner, and Jason McManus, the current editor in chief, had informally indicated to Time Inc.'s executives in recent days that the search for Mr. McManus's successor was over.

Mr. McManus, 60, has not formally announced his retirement, but he has told associates that he is planning to retire.

Mr. Levin and Mr. McManus were understood to have considered several in-house candidates, chief among them James Gaines, managing editor of Time magazine, and Henry Muller, editorial director of Time Inc.

The selection of Mr. Pearlstine must still be presented to Time Warner's board for approval, which is expected later this month.

As editor in chief of Time Inc., Mr. Pearlstine would be in charge of one of the world's most influential magazine empires. Time Inc. operates Time, Life, Sports Illustrated, Entertainment Weekly, Money, Fortune and People.

Mr. Levin was said by several people at Time Warner to be attracted to Mr. Pearlstine's journalistic credentials and interest in pursuing new and innovative ways to package and distribute information.

## Away From Politics

● An NBC television stagehand was shot and killed in front of the network's "Today" show studio window in midtown Manhattan's Rockefeller Center shortly before the evening rush hour, the police said. They arrested a suspect.

● The man suspected of assaulting the civil-rights pioneer Rosa Parks was captured in Detroit by several neighborhood residents, who held him in the trunk of a car until the police arrived, authorities said.

● John Wayne Bobbitt was sentenced to 60 days in jail after a Las Vegas judge found him guilty of misdemeanor domestic battery for hitting his former fiancée after a night of drinking. The judge suspended 45 days of the sentence and ordered Mr. Bobbitt to begin serving 15 days immediately. "I firmly believe you have an attitude problem," the judge told Mr. Bobbitt, who gained international attention last year when his wife sliced off his penis.

● NASA said it might have to delay the space shuttle Discovery's Sept. 9 launching because of problems with the craft's propulsion system.

● Almost 150 people have been evacuated from the Koyukuk River Valley in Alaska after flooding pushed the river to record levels.

AP, Reuters, NYT, WFP

## Damages Sought From the IHT

Reuters

SINGAPORE — Former Prime Minister Lee Kuan Yew and his son, Deputy Prime Minister Lee Hsien Loong, are seeking damages from the International Herald Tribune for an article that alleged nepotism, their lawyer said Thursday.

Prime Minister Goh Chok Tong is doing the same, said the attorney, Tan Kok Quan.

The newspaper printed an apology Wednesday for having

suggested that Lee Hsien Loong had obtained his job purely because of his father, who is now senior minister. Lawyers are working on the issues of costs and damages, and the case will go to court if there is no agreement, Mr. Tan said.

The newspaper's lawyer, K. Shanmugam, said, "The parties are now dealing with issues of damages and costs." Both attorneys declined to state the amount being sought as damages.

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## Simpson Secrecy Order Delayed

Judge Ponders How to Curb Flow of Leaks to Media

By Christine Spolar  
Washington Post Service

LOS ANGELES — Judge Lance A. Ito of Superior Court, poised to take what he called "a very large step" to stem news reports of the murder trial of O.J. Simpson, has backed off his threat to put a clamp on public documents filed in the case.

Judge Ito had proposed sealing all documents and barring anyone associated with the case from publicly discussing evidence, documents or exhibits in an attempt to aid in the selection of an impartial jury to hear the evidence in the highly publicized case.

On Wednesday, he testily agreed with attorneys for news organizations and the American Civil Liberties Union that imposing a blanket protective order on all court documents was inappropriate.

But Judge Ito, who has refused to supply his proposed gag order to reporters, said he was still considering whether to take the unusual step of barring comments from participants in the case.

"The problem is that I think we're in a different dimension in this case because of the improvements in the electronic media," he said.

Judge Ito discussed news

coverage on the same day that he ruled against a defense request to review personnel files of two detectives in the Simpson case, Mark Fuhrman and Philip Vannatter, indicating that the files were irrelevant. Published reports had said the defense hoped to use such material to make the argument that Mr. Fuhrman was a racist and to assert that he had planted evidence on Mr. Simpson's property.

The judge also delayed by one week, from Sept. 19 to 26, the start of jury selection in the case of the former football star, who is accused of murdering his former wife, Nicole Brown Simpson, and her friend Ronald L. Goldman on June 12.

Judge Ito, who has openly questioned the number of news leaks in the case, wondered whether some of the sensational reports could taint prospective jurors.

Kelli Sager, an attorney representing the Los Angeles Times and other news organizations, appeared to argue effectively that reports of sensational crimes "haven't changed that much" in recent decades and that nothing in the Simpson case warranted a secrecy order.

She suggested that proper questioning of the prospective jurors and then a subsequent

decision to sequester the jury — a move that the prosecutors said they would request — would eliminate fears that any juror would be biased. Judge Ito, who is taking a vacation next week, said he would reconsider his proposal.



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## Israel and Morocco Open Ties

### Liaison Exchange to Include Link to Gaza

By Clyde Haberman

New York Times Service

JERUSALEM — Israel and Morocco took the first formal step toward diplomatic relations Thursday, making the kingdom in northern Africa the only Arab country other than Egypt to establish official ties with the Jewish state.

Although Israel and neighboring Jordan agreed with fanfare in late July to end their technical state of war, and have since behaved in public like the oldest and dearest of friends, they have yet to sign a peace treaty and have no official links.

In the Arab world, only Egypt has full relations with the Israelis, since 1979, but Morocco Thursday signaled that it was ready to follow suit after many years of amicable, behind-the-scenes dealings.

Separately, the Israelis and Moroccans announced that they would open so-called liaison offices in Tel Aviv and Rabat, to deal with matters like business and cultural exchanges.

When this will happen was not made clear, and an Israeli official said it may take a few months.

Another official said that similar arrangements may be worked out with Tunisia in coming months.

At the same time, Morocco said it would set up a similar office in the Gaza Strip, which has been under Palestinian self-rule since May, along with the West Bank town of Jericho. But that bureau seemed likely to deal only with technical issues.

An official Moroccan statement said the diplomatic connection to what it called "the Palestinian state" — something that does not exist — would remain as before in Tunis, headquarters of the Palestine Liberation Organization.

In contrast, the Israelis stressed that the new offices they and the Moroccans are creating would be run by diplomats.

It was clear that Israel regards this action, which in fact had been expected for several months, as a precursor to eventual full diplomatic relations, although it is difficult to judge when — or even if — they would come about.

Israeli officials were delighted at the latest development, for it spotlighted the continued crumbling of a once-solid wall of Arab hostility to their nation's very existence. Opposition leaders also quickly praised the announcement.

As with the new open friendship with Jordan, most Israelis want relations with Morocco, whose king, Hassan II, is seen here as a benign monarch.

Some 600,000 Israelis are of Moroccan descent, accounting for nearly 15 percent of Israel's Jews.

The government of Prime Minister Yitzhak Rabin hopes that the diplomatic move will also prove to be a political bonanza.

It reinforces, some officials said, their argument to skeptical Israelis that the Gaza-Jericho arrangements are not Israel's gift to the Palestinians but rather a key to regional peace and to the international acceptance.

"We have to recognize the fact that very often patience pays off in the end," Mr. Rabin said. "Step by step, we will have a better outcome."

Foreign Minister Shimon Peres, who met with King Hassan in Rabat on June 2 and paved the way for the new relations, said: "Until now, we focused mainly on bilateral relations with our neighboring countries. This is the opening of relational relations."

There are presumed advantages as well for King Hassan, who heads a committee on Jerusalem for the Arab League.

He reportedly was concerned when Israel announced in July that it recognizes the role that King Hussein of Jordan plays as guardian of Muslim holy places in Jerusalem. Now, some political commentators here argued, the Moroccan monarch may have given himself a stronger voice on the city's future status.

Although Mr. Peres insisted that Israel was not throwing Jerusalem open to negotiation, he repeated the fact that it has committed itself to discuss the city's fate with the Palestinians by mid-1996.

King Hassan, he said, "has his own opinions on that issue, and we'll take them into account."



Flower-bearing students greeting their first-grade teacher in Moscow as Russia introduced new textbooks on all levels.

## SCHOOL: Russian 3 R's Now Include Rights, Religion and a Revised Lenin

Continued from Page 1

properly preparing the new generation.

Finally, the Russian government has completed publication of 100 basic texts, most of them entirely new. It took several years to put the books together and win their approval from a panel of Russian intellectuals.

Textbooks are being distributed this month to the nation's 68,000 schools and 20.5 million students. Mr. Asmolov said the new texts, unlike the old ones, would not be the only accepted teaching materials. Regions and

individual schools are being encouraged to develop their own books.

At the schools, pressed by chaotic funding, tiny salaries and the exodus of many teachers for lucrative jobs, the new texts and the new emphasis they place on inquisitive learning has been welcome. Soviet-era education tended to emphasize official-line rote.

"Children are now about to see different viewpoints," said Nina Kulikova, director of Moscow School No. 1276. "The point is that no one has the right to say the final word."

In addition to a slew of new textbooks, the schools have several new courses to teach, from the "Psychology of Management" in upper grades to "Environment" and "Fundamentals of Life Safety" in dealing with emergency situations in the lower ones. The latter, she said, was "based on the American system."

All grades will get a thorough dose of market economics as well. The smallest children will learn about it through a very simple series, based on an im-

mensely popular cartoon character known as Crocodile Gena. Middle grades will read the "Wonderful Adventures in the Country of Economics." Upper grades will have "Economics Without Secrets."

Mr. Asmolov said the new texts and curriculum might be disorienting to some parents and teachers, who grew up under the Soviet system with the old set of officially approved facts. For them, the Education Ministry is putting out guide books explaining the change-over, and how to adapt with their children to it, he said.

The most disorienting area for many parents will probably be that dealing with the history of what for seven decades of Communist Party rule was celebrated as the Great October Socialist Revolution of 1917.

The new ninth-grade Russian history book, for instance, describes the Bolshevik revolution as the "Victory of the Armed Uprising in Petrograd and Moscow," and a socialist "coup" made possible by the lack of representative democracy in Russia. It states that the regime

that eventually developed was a totalitarian one in which people were just cogs to be used by the state.

Lenin is far from the gentle father figure he used to be in school texts, although he is not painted as a total villain.

That is reserved for Stalin, who the text said unleashed a period of "fundamental lawlessness" and used trumped-up show trials to have his enemies shot or sent to spend the rest of their lives behind barbed wire.

At school No. 1276, where a sea of frilly white hair ribbons on the heads of little girls heralded opening day, parents were only upset that the new curriculum and books took so long to arrive.

"It's better this way," said one mother, whose fourth-grade daughter just three years ago was still reading about "Grampa Lenin." Soon she will be reading from a literature book that contains long stories from the Bible.

"They are learning freedom of thought," she said. "Not like we did. That's the most important thing now."

## KOREA: Carter Invited

Continued from Page 1

tively," one South Korean official said. "At this stage, what can he do in Pyongyang? Clearly, North Korea has been trying to drive a wedge between the United States and South Korea."

Relations with North Korea have been in a tense and critical phase for the last 18 months, ever since North Korea refused inspectors from the International Atomic Energy Agency access to nuclear sites. The refusal stoked fears that North Korea was producing plutonium for building nuclear bombs.

The United States threatened to impose economic sanctions if North Korea kept its sites closed, and North Korea warned that such action would be taken as an act of war.

With the countries heading toward a possible military confrontation, Mr. Carter visited Pyongyang and met with Kim Il Sung in June. Mr. Carter's effort was played down in both South Korea and Washington because of worries that he was overly sympathetic to North Korea's view, but he seemed to have extracted several concessions from Mr. Kim that led to a new opening.

North Korea agreed to freeze its nuclear program and to allow inspectors to monitor a cooling pond where some spent reactor fuel rods were being stored. If the rods are reprocessed, they could produce enough plutonium for four or five more bombs.

In return, the United States agreed to resume high-level negotiations with the North Koreans without other conditions. And Mr. Kim agreed to take part in a meeting with South Korea's president.

Kim Il Sung's death put everything on hold, and the Korean summit meeting has been indefinitely postponed. But the high-level talks with the United States resumed in Geneva and produced the outline of an agreement several weeks ago.

### U.S.-North Korea Talks

U.S. and North Korean experts will meet in Pyongyang on Sept. 10 to discuss technical details of setting up liaison offices. Reuters reported Thursday from Washington, citing American officials.

But no such offices will be set up in the two countries' capitals before the dispute over North Korea's nuclear program is resolved, the officials said.

## WOMEN: Progress Behind Saudi Veil of Segregation

Continued from Page 1

tion that women are out there getting ready."

Women who want to survive work within a system of social segregation to maintain an aura of respect and untouchability.

At the Institute of Public Administration, where hundreds of young women train for management jobs, accounting, publishing and computer work, the only link to the male world is by telephone or fax. When terminals break down, male technicians come at night.

"This is a Third World country; men and women have problems," Miss Thulaima said forcefully. "But if I am strongly rooted in my heritage and religion, I can adapt and drill a path ahead of me."

Ibrahim Dakheel, a consultant in work-force and resource development, said of the all-female institute: "Before, we had to beg girls to get trained. We had five or six women in each course. Now we have a waiting list of 600 to 700 for each of the 160 programs. There is a difference between veiling and seclusion — they are not synonymous."

It is custom here for women, in the presence of men other

than their father, spouse or brother, to wear the ankle-length *abaya*, cover their heads and pull a black veil over their faces. But the way they dress in public is the least of their worries.

"Before driving and taking off the *abaya*, we need more important things — you need your identity as a woman," a Saudi psychologist said. "Here, we are still part of the men."

The bravado of the high-profile driving protest by 47 middle-aged professional women shook a kingdom where everything is solved quietly and behind the scenes, but the issue remains unresolved. When confronted with an emergency and a relative has to be driven to hospital, what should a woman do?

"These are extremely limited incidents," Prince Nayef bin Abdulaziz, the interior minister, answered matter-of-factly. "She will not drive, because she won't know how and she does not have a license. A woman is compelled to seek the assistance of a man."

One prominent prince noted that "before the establishment of the kingdom, women were considered as cattle."

Saying that what has been accomplished so far should not be overlooked, he added: "Ask women in their 70s and 80s what it was like when they were 5 or 6 years old."

May Rimaya, an obstetrician, said the first generation of female doctors in Saudi Arabia had to go into research. Now more patients are asking to be treated by female physicians.

But in the hearts of those who are trailblazing the narrow path allowed them in Saudi Arabia, there is a strong desire for recognition.

"We want to be part of decision-making," said Johara Angari, a columnist and writer. "We are not dreaming of the impossible."

"We would like to have committees at the Majlis al Shura who are in touch with women's issues," she said, referring to a consultative council appointed by the king.

"If that writer wants to start that process by writing a petition to the authorities, she should do it," a senior security official suggested, adding that the wives of members of the Majlis could initiate it by telling their husbands.

## IRA: London Hedges Reply to Cease-Fire Declaration

Continued from Page 1

could only be seen as intending a permanent end to violence.

Others took the same view, including most notably the Irish prime minister, Albert Reynolds, whose government is partner to the British in the latest peace initiative. Mr. Reynolds said the declaration meant that "there is now the historic opportunity to take the gun out of Irish politics forever."

And he added: "Why get hung up on a word? It does not worry me in the least. It is a total end to violence. That's enough for me."

As the debate continued, Sinn Fein turned up the heat on Mr. Major. Appearing on a radio news show, his words spoken by an actor because of a ban on transmission of his voice, Martin McGuinness, in effect the No. 2 official in Sinn Fein, said it would be "very stupid" for the government to delay talks by "getting themselves on hooks over one particular word."

He then went a bit beyond the communiqué by saying he took it to mean "a complete

cessation of military operations under all circumstances."

It was announced, meanwhile, that four republican prisoners had been transferred from English jails to jails in Northern Ireland. Irish nationalists have long demanded that prisoners be allowed to serve sentences at home, closer to their families.

Among the four men serving life sentences was Patrick Magee, convicted in June 1986 of setting a deadly bomb at a Brighton hotel filled with Conservative Party figures.

The Northern Ireland office of the British government insisted that the transfers were not connected to the cease-fire announcement and had been in the works for some time, but commentators appeared skeptical of the claim.

### U.S. Economic Aid

The United States is holding out the possibility of increased economic aid for Northern Ireland to help cement the IRA cease-fire. The Associated Press reported.

But Senator Patrick J. Leahy, Democrat of Vermont, the

chairman of the Senate subcommittee that would deal with any request for additional funds, said there was no chance Congress would act this year.

"There's money already in the pipeline," Mr. Leahy said. "There's no urgency."

The Irish Republic is dispatching Deputy Prime Minister Dick Spring to Martha's Vineyard, President Bill Clinton's vacation island off Cape Cod in Massachusetts, for a meeting on Friday to discuss the prospects for peace and for an aid package to help keep it glued together.

## TV: CBS and NBC May Be for Sale

Continued from Page 1

buying that network, though neither person put a date on the discussions. Disney again declined to comment.

Merger discussions are extremely delicate, particularly in the television business, which is subject to complex government rules, and can easily come unraveled, as did the planned CBS merger with QVC.

Whatever the outcome of the discussions, they reflect an intense interest on the part of Time Warner and Disney, both leading producers of television programming, in entering the network business.

Companies like Disney and Time Warner, which owns Warner Brothers Television, have enjoyed significant profit from the sale of programs they make to the networks and later from the sale of rerun rights to those shows to television stations across the country.

But that will change with the lifting next year of federal regulations that have prevented television networks from producing much of their own programming and selling the lucrative rerun rights. The networks will need to rely less on the big studios to produce programming for them.

Unless the studios control the networks, that is. "The studios want to own networks so that they assure themselves of a guaranteed outlet for their product," said David Londoner, an analyst at Wertheim Schroder & Co. "Owning a network and controlling an average of 12 million viewers every night gives them an enormous amount of clout."

Television network companies have two operations: the networks themselves, which produce some programming and buy more, and the television stations the companies own and operate, which broadcast that programming along with many affiliated stations.

What Time Warner and General Electric are discussing, according to those familiar with the talks, is a deal in which Time Warner would buy the NBC network, as well as cable television services, including CNBC. It would not acquire the seven television stations that NBC owns and operates.

That structure could work well for General Electric, which acquired NBC as part of a takeover of RCA Corp. in 1986. Wall Street analysts said they thought the company was valuing NBC on its books at about \$4 billion.



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# Herald Tribune

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## Peace in Northern Ireland?

Hardly had the Irish Republican Army promised a "complete cessation" Wednesday of its 25-year guerrilla war in Northern Ireland than doubts began crowding in. Well and good, said Prime Minister John Major of Britain, but why not a "permanent" cessation? In the British-ruled province, Protestant doubters were quick to recall that in 1972 and 1975 the IRA also proclaimed a cease-fire, which within months literally went up in smoke.

Who really can control individual gunmen and death squads on all sides who have turned Belfast into a sectarian battlefield? True, other bitter quarrels have yielded to compromise elsewhere. Yet, skeptics pointed out, neither side in this bloody struggle can offer a leader with the towering influence of a Nelson Mandela or an F.W. de Klerk — the kind of influence required to make agreements stick.

Grant the doubters their doubts. Nevertheless, this is a breakthrough — and things ought to go very badly for any faction that shatters this yearned-for cease-fire. Most of Northern Ireland's 900,000 Protestants and 600,000 Roman Catholics are weary of violence rooted in ancient quarrels that outsiders find hard to fathom. Besides, when leaders shift gears and talk of "entering a new situation, a new opportunity," they become hostage to the very hopes they arouse.

Those were phrases used in Wednesday's five-paragraph IRA communiqué, presumably blessed by Gerry Adams, leader of Sinn Féin, the political wing of the outlawed army. Earlier this year, the British government unwisely pressed Washington to prevent Mr. Adams from speaking in America. President Bill Clinton decided otherwise, and over State Department objections a visa was granted to the Sinn Féin leader — whose voice, under a bizarre restriction, cannot even be lawfully broadcast on British television.

In America, Mr. Adams was rightly warned that repeating old slogans like "Brits out!" wouldn't do and he had to offer something more substantial in response to a December peace declaration by Mr. Major and his Dublin counterpart, Albert Reynolds. So in successive interviews Mr. Adams said it was his hope

finally to "take the gun out of Irish politics," and be quickly came under pressure to deliver. For now at least, Mr. Clinton can say that his visa gamble worked.

The IRA pledge was a response to a declaration by the British and Irish governments at 10 Downing Street in December. They offered Sinn Féin a seat at the bargaining table if the IRA permanently renounced violence. Mr. Major stipulated a three-month cessation as proof of good faith. He should not allow things to fall apart now over a semantic quarrel about what constitutes "permanent."

Granted, when and if talks begin, the old, old hurdles remain. The majority of the North's Protestants want to remain part of the United Kingdom, while most of the province's Catholics favor union with the Irish Republic. But the last year has provided new signs of hope.

In the declaration, for example, Britain moved into fresh terrain by asserting that it had no strategic interest in Northern Ireland. That, in turn, provides an opening for Dublin to remove a territorial claim in the Irish Constitution to the six counties of the North. Britain could then rescind the 1920 Northern Ireland Act that established partition, and consider a different framework for relations between two Irelands that already share a common open frontier within the European Union. And now comes the IRA pledge.

There are many able supporting actors in this drama, including a persistent British secretary of state for Northern Ireland, Sir Patrick Mayhew; a pragmatic Northern Protestant, James Moynihan; a widely respected leader of the North's nonviolent nationalists, John Hume; and a determined peace-seeker, Dick Spring, the Irish foreign minister, who will meet this week with Mr. Clinton.

In short, the permafrost seems finally to be heaving. Experience warns against building hopes which a single bomb blast could shatter at any time. But it is possible soon to test the sincerity of the IRA declaration. And if violence truly ceases, it should be possible finally to reduce Britain's garrison of 18,000 soldiers in Northern Ireland.

—THE NEW YORK TIMES

## Russia Withdraws at Last

With the departure on Wednesday of Russian troops from Germany and the Baltic countries, the great army that once confronted NATO across Europe is now entirely dismantled. The last vestiges have disappeared of the military structure that once maintained Soviet power over most of Central and Eastern Europe. The German withdrawals were completed exactly on the schedule agreed on two years ago to carry out a commitment made in 1990 by a state, the Soviet Union, which no longer exists.

There was a civilized ceremony in Berlin in which Russia's President Boris Yeltsin and Germany's Chancellor Helmut Kohl spoke of peace and hope for the future. Mr. Yeltsin also dwelled on the Soviet troops who will not be going home — the 320,000 soldiers of the Red Army killed in the final battles of World War II and buried in Germany. It was a reminder of the hideous price that the Soviets paid in that war. Mr. Kohl acknowledged the terrible things that were done to Russians by Germans in the name of Germany and promised that no military threat to Russia will ever again arise from German soil.

The last Russian army units pulled out of Latvia and Estonia during the day, except for one small detachment to decommission two reactors at a naval base and another to operate a radar station. (The Russians had evacuated the third Baltic country, Lithuania, last year). The celebrations are reported to have been muted, with the rejoicing tempered by memories of the long occupation and a clear sense that the Baltics' security depends largely on the stability of the new democracy in their much larger neighbor.

These were, in a sense, routine events, the final steps in the long process of carrying out pledges that a government had made some time ago. But they were routine events that no one was foolish enough to take for granted, least of all in the Baltic states or Germany. There had been moments in the Baltics when it seemed that the Russians might change their mind. But in the end, recognizing that the world saw it as a test of Russia's good faith and reliability, Mr. Yeltsin and his government pulled out their troops, punctual to the day.

—THE WASHINGTON POST

## Rosa Parks at 81

One report said something about Rosa Parks becoming a victim of the times. The subject was the attack on the 81-year-old heroine of the American civil rights movement by a burglar on Tuesday night. Luckily, Mrs. Parks was not seriously injured, but the conjunction of the Parks name and "the times" was evocative.

Mrs. Parks knows about tough times and being forced into a victim's situation. Those were exactly her circumstances in 1955 when she got on a bus in Montgomery, Alabama. Her refusal to take a seat in the back has now hardened into legend, but even as she was venerated Mrs. Parks was not always fully appreciated.

Seldom has such moral toughness come in a frail-looking form. Seldom has physical courage spoken with a quieter voice or assumed a more modest manner. That contributed to a misunderstanding of Mrs. Parks. Journalists and some historians have taken too literally her ironic remark that she refused to move because she was tired.

She was weary, but not politically naive about segregation and the need to confront it. She had what she called a "life history" of dissatisfaction with the Southern way of life. Long before she got on that bus on Dec. 1, 1955, she had been touched with the spirit of rebellion through her

contacts with the National Association for the Advancement of Colored People and the Brotherhood of Sleeping Car Porters through their local representative, E.D. Nixon. She had visited pioneering integration workshops at the Highlander Folk School, founded by a Tennessee hill country activist, Myles Horton. She was friends with the Montgomery attorney Clifford Durr and his wife, Virginia, virtually the only prominent white people in Alabama willing to support Mrs. Parks and the Reverend Martin Luther King, the young preacher who led the boycott she inspired.

All these original actors in the Montgomery drama are dead now except Mrs. Parks and Mrs. Durr, who is 91. Segregationists used to defame Mrs. Durr as a Communist. They also maintained that Mrs. Parks had been "put up to" her lonely act of rebellion by the people she met at Highlander and elsewhere.

One put Mrs. Parks up to anything. Hers was an independent, spontaneous act prompted by her conscience and by one other factor. Mr. King defined it when he wrote that she "had been tracked down by the Zeitgeist — the spirit of the time." Now a mean and violent modern zeitgeist is at work in the country. It touched Mrs. Parks, but it is not likely to defeat her.

—THE NEW YORK TIMES

## How Hiroshima Came to a Daughter in Connecticut

By Sarah Shapiro

This is the first of two articles.

JERUSALEM — Norman Cousins died three years ago. But for one of the little girls who knew him as their father, he was taken away a long time before that, by the atomic bomb.

Every year, it seemed, my parents packed their bags, and my grandmother Sarah came to take care of me and my sisters, and off flew my mother and father to Hiroshima. There they were involved in the care of a group of young women, 10 to 20 years my senior, all of whom had been maimed or crippled by the Americans' atomic bomb.

My father's magazine, The Saturday Review, working in conjunction with the Reverend Kiyoshi Tanimoto's Nakaragawa Church in Japan, was sponsoring a project that would bring these Hiroshima Maidens, as they came to be called, to the United States for plastic surgery.

And throughout the years following these lengthy series of operations, my parents continued visiting Japan to follow up on the maidens' complicated medical and personal progress.

Back home in my Connecticut suburb, I waited. It felt as if the whole house had been unplugged from its power source each time my parents went away on one of those trips. I yearned for my mother's competent, no-nonsense presence, her fast pace. I missed the sight of my sweet, kind father bunched over the piano each evening, after my mother had picked him up from the commuter train, picking out his 1920s and 1930s tunes by ear.

I'd wander, bored, into his study, twirl around in his swivel chair, open up drawers, look for paper clips or sharpened pencils or unused writing pads.

I'd contemplate the big framed painting above his desk, a collage in red and orange of a woman running naked through fire, head thrown back, hair flying, horrified eyes wide open, mouth open in a silent scream, arms outstretched in a useless gesture of self-protection. Her body, hidden partly by the flames that enveloped her, was composed of torn-out newspaper clippings: "Atomic Device Dropped on Hiroshima," "Japan Surrenders" and "AEC Discloses Radiation Data."

During these bouts of parental absence, God's absence, too, seemed especially noticeable. It was frightening, this universe without a benevolent, higher power capable of neutralizing the radioactive mushroom cloud.

Life was an uncertain thing. How could I take my homework seriously?

Our mother and father would, of course, always reappear eventually. God's power or lack thereof returned to the back burner and the household's light and power were instantly restored.

But I felt there was nothing I could do, no suffering I could ever hope to come up with there in sleek, comfortable New Canaan, that could ever make me as worthy

of my parents' attention and concern as were my Japanese counterparts.

In 1955 they arrived. I tried not to look at their scars. Their hands and feet were twisted and gnarled, their limbs multicolored and patched at random with raggedly shaped burns, some drawn tight and shiny and some a darker, duller hue.

Their faces were contorted and stretched in all kinds of strange ways. They were shy and so was I, a little 5-year-old. They smiled at me.

Each maiden was settled with a different American family for the duration of her operations. One of them, Shigeko Nimoto, came to stay with us.

When she first moved, it was her face I tried most not to stare at. The lower half was welded with variously toned scar tissue down over the chin onto the neck.

Her hair was shiny, black and full and it was apparent as she stood at the bathroom mirror grooming herself that she took pride in that thick mane. It was a relief to discern this classic sign of feminine vanity, having heard her on a few occasions explain: "When the bomb fell, I was 15. That the age girls think very much about beauty, right?" (I didn't know. I wasn't anywhere near there yet.)

"When the bomb fell, I lost everything beautiful the body, so I can't think about things like that anymore."

"In a way, was good. Many operations one after one, skin graft. But I already know I have to be person not thinking about beauty. Have to get love

for who I am person — the spiritual!"

On that summer morning, Shigeko had been a schoolgirl engaged in a municipally organized street cleanup. She heard a plane and looked up to spot it, shielding her eyes from the sun. That's how she saved her eyes and lost her hands, and the lower half of her face.

There was a flash of light more bright, she said, than the sun itself, then the world disappeared. She felt a colossal wave of heat and looked down to see her skin hanging from her body. Her hair had been singed right off.

Shigeko ended up staying with us indefinitely. One snowy Connecticut day, I sat with her in front of the dining room fireplace. I loved her by now. She called herself my monkey number two and I trusted her and was accustomed to her as much as I was to anyone else in my family. She was my sister now.

I was staring at the blue and orange flames and the sparks flying upward, lulled into the dreamy warmth, when Shigeko, gazing into the light, remarked, "What would you feel if you a small, small ant in that fire?"

I stiffened, ashamed, not daring to reply, then looked back into the fireplace and visualized a tiny ant crawling across the brick hearth toward the bottom log. Somehow I must have felt what was coming. There was no safety in the world. "I was ant," said Shigeko.

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## Russians Leave at Last, Rescinding Yalta, and Russia Enters Europe

By Leopold Unger

BRUSSELS — This Thursday,

General Matvei Burlakov, the 16th commander in chief of the Russian Army stationed in what was once East Germany, was among the last Russian soldiers to leave Germany. It was a historic moment for Germany, for Russia, for Europe and for the world.

For Germany, the ceremony in Berlin ended nearly 50 years of Russian military presence. Only five years ago, before the fall of the Berlin Wall, 400,000 Soviet troops were stationed in East Germany, as well as 200,000 dependents. There were 4,000 tanks and 1,500 fighter planes.

For Russia, it is the first time since 1939 that it has no soldiers west of its borders. The official borders of today's Russian state are approximately the same as for the Russia of three centuries ago, before the union with Ukraine. To Sergei Karaganov, an adviser to President Boris Yeltsin, this

means that Russia can again be viewed as a normal country.

For Europe, Wednesday was important because of General Burlakov's departure and also those of Russian generals from Latvia and Estonia. With Lithuania free of the Russian military presence as of a year ago, the Baltic states have now recovered their territorial sovereignty (with a few minor exceptions — a rented radar base in Latvia and a naval base being demilitarized in Estonia). Russia thus remains a Baltic state only because of its Kaliningrad enclave, the former Prussian Königsberg.

And for the world, the departure of the last Russian soldiers from Germany and the Baltics completes the evacuation of the former Red Army from European countries occupied in 1945 and subjugated by the Soviet empire.

With Wednesday's retreat, the Russians finally put an end to their main Soviet-era territorial conquests to the west. Only now can World War II be declared truly over in Europe.

History loves paradox but not manipulation. The beginning and the end of the war have been the subject of, to put it delicately, certain misunderstandings.

For the Poles, the war began with the first German bombardment of Warsaw on Sept. 1, 1939. For the French and the English, it started two days later with the declaration of war against Hitler. For the Belgians, the war did not break out until 1940. And for the Russians, it was in June 1941, with the Nazi aggression.

In fact, World War II began on Aug. 23, 1939, the day Hitler and Stalin, the two cruellest dictators of this century, signed their "Pact

of Nonaggression." The secret clauses of that pact left the field wide open for the Nazis and called for Central and Eastern Europe to be divided into zones of influence. Among other things, that meant the fourth time Poland would be divided between its two big neighbors; the seizing of the Baltic countries; the amputation of Romania, and more.

Nor is there agreement on the end of the war. For the Western nations, it ended in May 1945 when, upon the ruins of the Third Reich Hitler's marshals signed their capitulation, ending the Hitlerian state.

But the Yalta conference in February had sealed for 50 interminable years (the Russians were already at the Elbe) the fate of the East European countries, leaving proud, mainly Christian, Westward-looking countries in the totalitarian, retrograde, underdeveloped Soviet zone.

Paradoxically, it is only the belated but total and irrevocable retreat of Russian soldiers that provides credible proof of Russia's arrival in Europe. The act of evacuation by the Russian army is a symbolic but historically indispensable annex to the fateful accords of Yalta.

For 100 years, the base at Windsdorf, south of Berlin, was headquarters first for the Germans and then for the Russians. Today it is empty. We must hope that it will stay that way.

With their suffering and sacrifices, the countries that were Yalta's victims have in a sense paid for the peace and prosperity of the West. For 50 years, the Hitler-Stalin pact continued to exist, although in another form. Only today do we dare announce the true end of that satanic pact — with the hope that its poisoned heritage, too, will soon disappear.

International Herald Tribune.

## Rid American Foreign Policy of the Miami Crowd's Designs on Cuba

By Flora Lewis

PARIS — After she stepped through the looking glass, the world Alice found was never so topsy-turvy as the surrealistic relation that Washington and Havana are creating with each other. A Communist dictator threatens to let his people flee unless America gives them refugee visas. Washington used to call them defectors and welcome them as heroes.

Then, for humanitarian reasons, the dictator agrees to prevent children and women from risking their lives in unseaworthy barks from which they may or may not be picked up by the U.S.

Coast Guard and returned to Cuba — to the barred-wire fenced, American-leased enclave at Guantanamo. The two sides limit their contacts to "technical talks" about these people.

As usual with surrealism, there is a hard reality underneath. Cuba is certainly a foreign country, but all this has nothing to do with U.S. foreign policy.

That period is past. The Bay of Pigs invasion was certainly a foreign policy initiative. The 1962 missile crisis was the most dan-

gerous point of the Cold War. When Che Guevara promised "one, two, three more Vietnams" in Latin America and when Fidel Castro sent his army to help Soviet-backed regimes in Ethiopia and Angola, U.S. strategic interests were involved.

Now, Moscow hasn't the time of day for Cuba. Washington is nourishing relations with Russia and China and siding up to Vietnam and North Korea.

Cuba is still important to Washington, but for a single, shortsight-

ed reason: domestic American politics, essentially Florida politics. Legitimate foreign policy problems, which are likely to get a good deal worse before they get better, have been pushed aside.

This is the result of deliberate, assiduous long-term planning by the right-wing leaders of the Cuban-American community.

A decade ago, I asked Jorge Mas Canosa, its chief in Miami, what his strategy was. He said, to copy the Jewish lobby. "I was surprised," he answered. "If you want to be No. 1, you don't imitate the second- and third-rate pressure groups."

The early Cuban exiles came with nothing, but they were well-educated, middle-class, many of them professionals. They established themselves quickly, began to make money, and learned how to use the U.S. political system. They turned to the Republicans, who were delighted. The Democrats, still busy proving they were valiant anti-Communists, scarcely realized what was happening.

It is this political action group which has relentlessly demanded an ultra-hard line on Cuba and maintenance, even tightening, of the unilateral U.S. embargo. In more than 30 years it has not brought Castro down. If anything, it gave him excuses for his own grievous mismanagement.

Lifting the embargo now would no more save or help Mr. Castro. His people are suffering more than ever, essentially because of the loss of all the subsidies they were living on from the Communist bloc.

This is a perverse U.S. policy for a country which proclaims humanitarian concerns and a desire to promote democracy. Mr. Castro is doomed and everybody knows it, but not because of Washington's policy.

The real issue now is how he will fall and what happens then. The Miami crowd knows what it wants — to go back, take over, establish its own regime and so far as possible oblige the United States to support it, with military force if necessary. From this perspective, an upheaval, even a violent one, is preferable to a "velvet revolution" which could bring new, local democratic forces to the top.

This is the opposite of U.S. national interests, and could imply another long period of strained relations, perhaps another dictatorship, right-wing this time, implicating the United States. In terms of foreign policy, the smoother Cuba's transition to a market economy and a stable democracy, the better for the United States, as well as for Cuba.

There is no reason not to be talking to Mr. Castro about specific U.S.-Cuban government problems, and very good reason to use all available contacts with disgruntled Cubans to help promote preparations for free elections and a new home-grown Cuban regime, as would be possible with normal relations. That is exactly what the Miami crowd is trying to prevent. It could deny them power.

Their tool is American politics and the American lobby system. More and more people in the U.S. establishment, from right to left, have come to understand this and see that it will undermine U.S. foreign policy needs. They, too, are interested in domestic politics, but they recognize that this is too high a price for a few electoral college votes.

It is time for the Washington administration to remember that Cuba is a foreign country, not a domestic political fiefdom, and put foreign policy needs first.

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IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1894: Port Arthur Safe

SHANGHAI — A telegram received today (Sept. 1) from Chefoo announces that H.M. gunboat Redpole has returned from Port Arthur and reports that the news of an attack having been made by the Japanese on that port is unfounded. Great uneasiness prevails among foreign residents at the northern ports, owing to recent outrages on missionaries.

### 1919: Race Rioting

NEW YORK — A serious race riot broke out in Knoxville, Tenn., today (Aug. 31) when a mob of more than 1,000 whites attacked the county jail with the intention of lynching a negro who is held on the charge of murdering Mrs. Bertie Lindsey, a white woman. The negroes of the city rallied to resist the mob and fierce fighting ensued. The riot assumed

such proportions that the Tennessee National Guard were called out. The killed include two soldiers and two negroes. This list is likely to be increased, as whenever the mob captured a negro he quickly disappeared.

### 1944: Atrocity in France

FLOMION, France — [From our New York edition:] In the little schoolhouse of this village fourteen French male civilians murdered by the Germans lie tonight (Sept. 1) in a single terrible line. I have just seen them today and they have been grotesquely mutilated. From each the arms and legs had been severed and each head bears six wounds. Relatives of those slain — the murders occurred yesterday afternoon before the German garrison of two hundred fled from this town eastward into Belgium — stand before the school and weep.



International Herald Tribune

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**necticut**

**By William Safire**

House Counsel Bernard Nuss-

*The New York Times*



have forgotten my name. Anyway, it was indeed me he referred to in "Cuba: Embargoes Hurt People Instead of Helping" (*Opinion*, Aug. 10). I am the "French journalist"

*The writer is editor in chief of  
Le Nouvel Observateur.*

**By Colman McCarthy**

He became a threat in the late 1950s when he twinned his agonizing with organizing. He enlisted more than 7,500 fellow scientists to

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## World Biker



Contrast in India: Ancient and modern modes of transportation.

By Thomas Fuller  
International Herald Tribune

**A**MARILLO, Texas—Fm sitting in a Taco Bell in this Texas panhandle town watching four young women devour burritos. Everything about them is big. Their food, their clothes and themselves—hair included. They even ordered large soft drinks, which is odd because they could have ordered small ones and refilled them for free. But this is Texas and it could be that people just don't order small soft drinks in Texas.

It's very hot outside so I hate to think of getting back on the road, especially because looking out of the restaurant's window the vinyl seat of my motorcycle looks as if it has changed color with the heat.

Exactly one year and one day ago I left Paris on a motorcycle trek across Europe, Asia and the United States. The United States is the 23rd country on the itinerary and the last before my return to France.

I spent the morning and part of the afternoon riding from the foot of the Rocky Mountains in New Mexico on a road that seemed to have a total of two turns. Something about driving at high speed in a straight line across a barren landscape has put me in somewhat of a trance, leaving me quite sentimental about the places I visited during the past year. It must have been the dotted yellow line continually jumping up at me on the highway. Flash, flash, flash, right below my boots. The Texas sun made the yellow dashes flash even brighter.

The four women's enormous drinks make me think of India and the tiny bottles of lime that were so refreshing there. It's as if the bottles in India needed to be smaller to be able to quench the thirst of all 900 million people.

I think back to the two months spent on hectic Indian roads—the ox carts stacked with gravity-defying piles of hay; suicidal truck drivers and their blaring horns; traf-

fic jams on small market streets; elephants, monkeys, stubborn cows crossing the road at their own pace—and to a piece of advice given to me from an Indian man in New Delhi. When driving in India, he said, never stop for 1) toll booths, 2) people in uniform, 3) anyone in distress. If you stop, he said, officials will assume you don't know the rules of the Indian road and they might try to extort money from you.

I successfully followed that advice for several weeks, zooming past men waving their arms in the air and driving around roadblocks, until one day I arrived at a border between Indian states where a man in uniform signaled for me to stop. I had no choice but to park and get off the bike.

For the first time since leaving Europe, I was asked for my license and registration. As the man led me into the stuffy shack that was his guard post, I handed over my French registration and New York state driver's license. The documents must have seemed fairly foreign to him, but he copied into his English-colonial-style ledger what he thought were the appropriate numbers and then came out with what I had been waiting for.

"Ten rupees," he said. Thirty American cents.

**I** SMILED at this very modest attempt at extortion and asked what for. "Excess weight," he said pointing to the motorcycle.

I couldn't hide another smile and after a short silence told the man that I knew this law wasn't written down anywhere but that because "excess weight" was such a novel idea for a motorcycle it was worth 10 rupees, which can buy two coconuts or five oranges in India. He had, I told him, made my day.

India was not the only country where I had the pleasure of meeting uniformed men. There was the border guard in Thailand who despite all the stamps in my passport and official documents in my

hand refused to let me cross into Cambodia, telling me that he felt personally responsible for my safety there; the border guard in Turkey who persisted in telling me that with Andrew as a middle name I was not an American but a Bulgarian with an American passport; and the host of policemen who strongly suggested that sharing my wealth with them was the easiest way out of a "problem" that I found myself in.

Albanian police were different. In that small and impoverished country, I was stopped on average every 40 kilometers by officers who just wanted to talk and compare motorcycles (they had Italian bikes that ran on what smelled like kerosene). I was traveling with a friend who at one point was stopped on a busy street by a police officer who approached him and shook his hand. That's all the policeman wanted, a handshake.

Albania is also the country where I came to understand how foreign the concept of camping is to some people. After having spent the night in a field, we were greeted by a man from a nearby village who pointed to our dew-drenched equipment banging out to dry in the morning sun and asked why we had slept outside. He saw our motorcycles, guessed we had the money for a hotel, and knew from watching reruns on Italian television that Americans lived well in big houses. So why bother with the inconvenience?

We liked sleeping outside, I told him. It was peaceful under the stars.

The man was far from convinced. "You get wet," he said as he pointed to a cluster of houses. "We have a home for friends." It was too late, unfortunately, to take advantage of his hospitality.

Back at the Taco Bell, sitting across from me a woman has just finished interviewing for a job at the restaurant. The manager tells her she should report to work on Thursday. "Wear your hair back, only stud earrings, only one watch," she is told. I get up to refill my soft drink glass for the fourth time.

Six months earlier I was at another fast-food restaurant, but one where I doubt the employees had to be told not to wear more than one watch. It was in Singapore, a few hundred feet from the causeway that links the island-nation with Malaysia. With me were three men I had met in Singapore who had very kindly offered to escort me to Kuala Lumpur, which was my next stop.

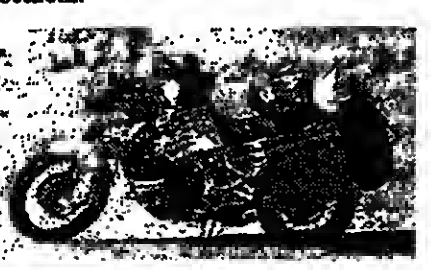
One of the escorts was an American who collected not watches, but Harley Davidson T-shirts. He and his wife owned 400. "Most of them," he said, "I haven't even worn."

Parked in the restaurant's lot was my muddied, travel-worn Honda and their gleaming, spit-shined and chrome-laden Harleys. They were tasseled leather jackets, funky sunglasses, leather cowboy boots and, of course, Harley T-shirts.

We left the parking lot and headed toward the border checkpoint, joining the lines of Singaporeans fleeing to Malaysia for the weekend. I handed my documents to a stone-faced border policeman who, in Singaporean style, stayed as expressionless as a U.S. state trooper writing a speeding ticket.

After a series of dour faces it was on to customs where the last thing I remember seeing—indeed my last memory of Singapore—was the smile on the face of a customs agent, watching as the Harleys paraded by.

The table of four women has broken into uncontrollable giggles. Perhaps they know about the Singaporean border guard smiling. Or maybe it's just the heat. Time for me to get back on the road. Oklahoma beckons.



## Pizza Hut's Last Frontier: Italy

By John Tagliabue  
New York Times Service

**P**ARMA, Italy—They were never exactly to pizza what Gucci was to loafers. But after opening restaurants in 88 countries, Pizza Hut was certainly as well known.

Now the Wichita-based pizza giant has signed an agreement to open a shop in the land where—in a misty, earlier age—some anonymous chef struck on the idea of combining a thin circle of dough with tomatoes and mozzarella cheese to create the pizza. It was a profitable idea. Throughout Italy, so-called "pizza money" has been used to finance major developments.

For its first franchise, to open later this year, Pizza Hut searched all of Italy's boot. It settled on Parma, a small, businesslike town of 170,000, situated perhaps fittingly midway between Milan, the financial capital, and Florence, the center of culture.

Pizza Hut, which operates about 10,800 outlets around the world, apparently chose Parma because—as Romeo Medici of the local Chamber of Commerce says—the town "likes to call itself 'Food Valley'—you know, like California has Silicon Valley."

Parma produces hams—20 million of them a year—and Parmesan cheese. With big companies like the pasta-maker Barilla and Parmalat, a dairy specialist, about 20 percent of the local economy comes from food production, with annual business of \$9 billion.

For most Italians, having a Pizza Hut move in would probably seem like carrying coals to Newcastle. But in Parma there was curiosity.

Over on Strada della Repubblica, Ugo Parizzi, 50, a restaurant owner whose son works the kitchen while his wife, Lella, does the desserts, bubbled as he served a customer paper-thin slices of cured Parma ham followed by a plate of *anolini*, little pasta dumplings, smothered in butter and—what else?—Parmesan cheese.

"It's exciting, something new, and I will certainly go to see what it's like," said Parizzi.

Still, there were some who recalled how painfully slow Parma was to accept even the Italian variety of pizza. Over at Al Corso, a pizzeria just off fashionable Strada Cavour, Luigi Tagliabue recounted how his father, Mario, emigrated 34 years ago from Salerno, just south of Naples, which lays claim to being the birthplace of pizza.

"We brought the first wood oven to Parma," said Tagliabue, whose pie-sized pizzas, which come in 29 varieties, are eaten from porcelain dishes with knives and forks on tables with linen cloths.

Most of his guests wash it down with a glass of the white sparkling wine that is the local favorite. For many in Parma, he said, pizza remains an imported Neapolitan dish. And he has seen how they react to fast food.

Several years back, in the little shop next door that now houses an upscale boutique called Nichols, an Italian chain named Burghy, whose hamburger shops compete with McDonald's in many Italian

cities, opened for business. Within six months, he said, Parma's first and—thus far, only—attempt at fast food closed.

"At first, the young kids came for the novelty of it, but then the novelty wore off," said Tagliabue, whose two brothers also own pizzerias in town.

"To succeed here," he said, "you've got to satisfy the palate of Parma."

"We're not a fast-food town," confessed Maurizio Rossi, whose restaurant, La Greppia, features local pastas, exquisite dishes of poultry and rabbit, and curious desserts like one with green tomatoes.

Pizza Hut remains undaunted. "Our top-grossing units are in Paris and Hong Kong, two centers of cuisine," said Robert A. Dougherty, Pizza Hut's vice president for public relations in New York. "Outside the United States we're seen as a bit of Americana, a treat."

"We're not seen as fast food, but on the cusp between formal dining and fast food. It's an opportunity to taste America, and it works everywhere else, even on the Champs-Élysées."

Out in the Oltretorrente neighborhood of Parma, where Pizza Hut is eyeing a site, this all came as little consolation to Soliman Wagdy, a native of Cairo in his 20s who opened the Robin Hood pizzeria two months ago with his wife, who is Italian.

The first he heard of the American invasion, he said, was when two Pizza Hut executives dropped in for lunch this week.

"In Parma, you've got two things in abundance," Wagdy said glumly. "First the banks, then the pizzerias. There are too many in the neighborhood already."

Then, stiffening as he picked at a slice of veal, he added: "We'll be the first to go over and taste it. If it's good, we'll make it like they do."

## In Tokyo, Go-Go Dancers Cool It

By Paul Blustein  
Washington Post Service

**T**OKYO—Female customers clad in ultra-skimpy dresses gyrate to the throbbing beat atop a platform above the dance floor. Down below, male customers gaze at the shimmering array of thighs.

That's the formula that made Juliana's, a Tokyo disco, a nationwide sensation when it opened three years ago. All over Japan, discos sprang up offering women the opportunity to dance provocatively on an *otachi-dai* (honorable platform); TV networks broadcast shows with names such as "Live From Juliana's Tokyo"; and a toy company launched a Juliana doll for little girls who dreamed of shaking their hips before appreciative men.

But Juliana's announced last week that it is shutting its doors at the end of August—and for a peculiarly Japanese reason: The management followed "guidance" from authorities to make the atmosphere more sedate, and the place started losing money.

"I'm shocked. It's so depressing," moaned Mie Ohashi, a 21-year-old department store clerk, who started coming to Juliana's two years ago, several times a week, to dance on the *otachi-dai*. Sipping a drink near the bar with a friend, Ohashi added: "This is the only place we could have fun. This was my place for making my stress melt away. Now where am I going to go?"

The announcement of the disco's pending demise was widely interpreted as a milestone in the history of Japanese popular culture.

Ever since the Juliana's phenomenon

arose, the media here have devoted considerable effort to analyzing it, attempting to explain why large numbers of "office ladies" would shed their prim work attire, slip into *bodhi-kon* (body-conscious) outfits and exhibit themselves in public.

A common view was that, appearances notwithstanding, the dancers weren't necessarily trying to snag boyfriends. Rather, frustrated by Japan's male-dominated society, they were seeking self-expression, flaunting their sexuality after spending day after day working at dull jobs, wearing drab uniforms and treating male co-workers ever so politely.

The sober *Asahi Shimbun*, Japan's second-largest daily newspaper, published a long feature in which various psychiatrists, sociologists and other experts opined on the subject. In one view, the closure of Juliana's symbolized the final,

belated blowout of Japan's late-1980s "bubble economy."

But one of the most revealing aspects of the whole affair was the way in which Juliana's came to grief, for it underscores the extraordinary deference that Japanese business people tend to show toward government officials.

The disco's problems began early last year when the dancers started wearing increasingly outlandish clothing, including G-strings, and a Tokyo magazine published photos in June 1993 (staged with professional models, the disco's management insisted) of nearly nude women dancing on the *otachi-dai*.

The Tokyo Metropolitan Police Department summoned Juliana's management for a meeting in November 1993. "We gave instructions that the *otachi-dai* is not a preferable place for customers to dance," said a police official who attended the meeting. According to Yoshinori Kasano, Juliana's chief business manager, the disco's management had also been thinking of imposing limits on the displays of flesh.

In any event, a month after the meeting with the police, Juliana's removed the *otachi-dai* and replaced it with a "crystal stage" on which professional dancers were to perform; moreover, a dress code was instituted prohibiting excessively revealing clothes.

"We tried to create a new atmosphere," Kasano said. "But we suffered a decline in business." That's putting it mildly: Attendance at Juliana's sank from about 3,000 a night to about 250. So before the losses ballooned to catastrophic levels, "we decided to close in order to preserve the honorable name of Juliana's," Kasano said.

### FEAR THIS

■ In New York, a group of women rode the subway trains topless earlier this summer and were charged by the Transit police. The Transit Authority's lawyers consulted with the Manhattan district attorney's office before deciding that bare-chested women on subways should be arrested only if they create a "disruptive or dangerous situation in the subways." But a spokesman told AP that while it may be O. K. for women to ride topless, they still can't smoke or beg.

## THE MOVIE GUIDE

**Free y Chocolate**  
Directed by Tomas Gutierrez  
Alea and Juan C. Tabia  
Cuba-Mexico-Spain.

A clever script (by Senel Paz), superb acting and intelligent directing are still the key ingredients for a memorable movie. No big budget production here, and no cheap violence necessary. Instead, the film uses resourceful humor and drama to sharply criticize Fidel Castro's regime while paying homage to Cuba's enduring values that are sure to outlast the aging revolutionary, Diego (Jorge Perugorria) is a worldly homosexual in Havana who suffers discrimination in a land where racism and discrimination are officially barred. He falls in love with David (Vladimir Cruz), an idealistic, heterosexual university student who plans to carry the revolution forward. David resists Diego's sexual advances but the two gradually become friends, discussing politics,

the arts and sharing prized contraband like Johnnie Walker Red whisky. Produced in 1993 but released this year in Europe, the film is a glimpse of a modern, suffering, take-it-as-it-comes Cuba. The movie's cohesiveness is another triumph, given that the veteran Cuban director Tomas Gutierrez Alea became ill during the filming and his friend Juan C. Tabia had to step in to finish the job.

(Al Goodman, IHT)

**Wagons East!**  
Directed by Peter Markle  
"Wagons East!" is a ghastly western parody that does not honor John Candy's memory, but exploits his last, pitiable appeal for laughter. The premise, reportedly written by a New York expatriate disappointed in L.A., had promise: Fed up with the filthy, barbarous frontier, a group of settlers forms a wagon train and heads back East. The end product, however, is

puerile swill written by Matthew Carlson, formerly of TV's "Wonder Years." It's difficult to pick a moment that is the film's lowest; however, one is sorely tempted to select the scene in which a steen-bugging drover purchases a copy of "Pride and Prejudice" from a filthy bookstore owner (John C. McGinley). He has no intention of reading it; he's thinking of the pages as 19th-century two-ply. One of the few actors capable of getting a laugh in this fiasco is McGinley as Julian, a predatory queen with a cappuccino maker in his prairie schooner. But even those pages are all at the expense of gay men.

(Rita Kempley, WP)

**Natural Born Killers**  
Directed by Oliver Stone  
U.S.

Meet Mickey (Woody Harrelson) and Mallory (Juliette Lewis), two renegades living out the oldest story in the teenage wasteland. They're young, they're in love and they kill people in a thrill-crazy, rock-video style. "If I don't kill you," Mickey says to one soon-to-be victim, "what is there to talk about?" For Mickey, it's more than just a rhetorical question. With more sophistry than poetry, Oliver Stone apothecizes these trash archetypes in "Natural Born Killers," his supposed satire about an America despoiled by violence and exploitation. Satire? In his skill as a manipulator of thoughts and images, in his short-circuiting ordinary narrative and in his intuitive visual brilliance, Stone could well turn out to be the most influ-

ential American filmmaker of his generation. But as a satirist, he's an elephant ballerina. Scratch the frenzied, hyperkinetic surface of "Natural Born Killers" and you find remarkably banal notions about Mickey, Mallory and the demon movie. ("Media's like weather, only it's man-made weather," says Mickey, delivering one of the rare memorable lines in the screenplay.) To wit: Born bad. Blame society. The sins of the fathers. Lost innocence. True love. Wild horses, deadlier natters, fireworks, freight trains. Elements like these would appear more honestly threadbare if Stone were not a match for Mickey and Mallory in the area of overkill. But he has exploded the slender premise of "Natural Born Killers" into a firestorm of quick cuts, hot colors, gyroscopic camera movements and emblematic visions. Despite isolated moments of bleak, disturbing beauty, it is finally less an epiphany than an ordeal.

(Janet Maslin, NYT)



Ellen Greene in "Wagons East!"

### SHORT CUTS

● JANE BUNNETT: "The Water Is Wide" (Evidence): The Canadian soprano saxophonist, who studied with Steve Lacy, has been a talent deserving wider recognition for several years. Having recorded with renowned but off-the-beaten-path Cuban musicians in Havana, here she's into straight-ahead finger-popping; exploring material by Ellington, Monk, Rahsaan Roland Kirk and herself. Muscular melodies and harmony, her own sound,

great band, crystal-clear production.

● JAN GARBAREK AND THE HILLIARD ENSEMBLE, "Officium" (ECM): On the 25th anniversary of the record company that gave birth to the concept of Eurojazz, this may be ECM's biggest success since Keith Jarrett's "The Köln Concert." Early polyphony, medieval music sung by a four-part male choir with the Norwegian soprano saxman on top.

You can't call it jazz and an improvising saxophone isn't really classical. The 15th- and 16th-century compositions of Cristóbal Morales, Pierre de la Rue and Guillaume Dufay are at the same time sobering and soaring, ice-cream as it were. The texture is so enveloping you don't want to listen to anything less pure than Bach or Billie Holiday afterward.

MIKE ZWERIN, IHT

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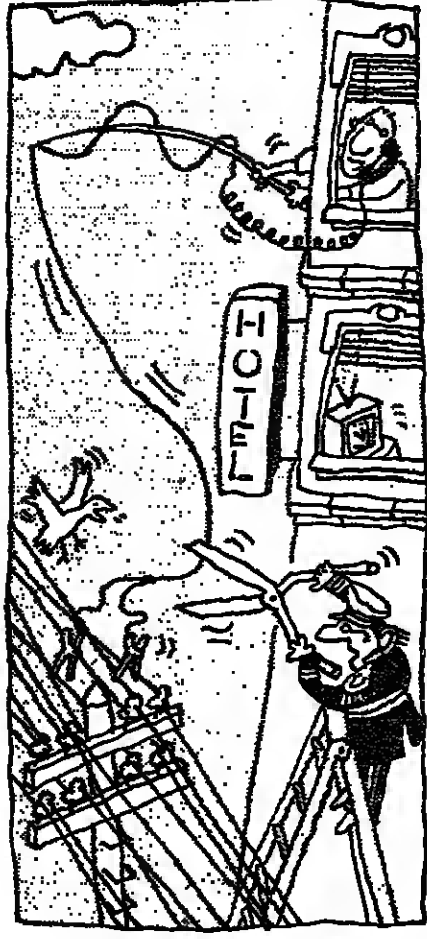
# LEISURE

## Cutting Phone Costs on the Road

By Roger Collis  
International Herald Tribune

**F**REQUENT travelers know that the best way to beat outrageous hotel phone charges (markups of 900 percent and more) is to use a telephone charge card, with which you are connected via a toll-free number and billed back home on your charge card or residential phone. But deciding which card is cheapest and most convenient depends on the countries you are visiting and the countries you are calling.

What's more, hotels are fighting a rear-guard action by blocking toll-free calls in some cases, or making an "access charge," or even connecting you to a high-priced



number and PIN and then the number you want to call. If you need help you can talk to an English-speaking operator, which can be reassuring in gritty places. But it may cost slightly more.

You normally need to use a touch tone phone (except with a Telcel card, which can be used with a rotary handset). But many phone companies give you a free portable "auto dialer" which converts any phone to touch tone.

Phone cards compete with frills and gizmos as well as phone charges. Most allow sequential dialing — rather than putting the phone down and dialing another 38 digits, several calls are registered as part of the original call. This is not only convenient but a way to reduce hotel access charges. You may want to look for speed dialing on frequently used numbers, the ability to choose and change your PIN to reduce the risk of a thief hacking in, voice mailbox, fax and modem access, and conference calls. Telcel has a Call Me service, which allows you to book a line to a country where communication is a problem, and keep it open for a specified time; itemized billing with details such as origin and destination numbers, duration and cost. Most phone cards are free, the major exception being AT&T WorldPlus, which has an annual fee of \$70.

**T**HERE are wide discrepancies in the rates that phone cards charge. For example, a 10-minute call from the United States to Britain costs about \$22 with a BT Charge-card, whereas the same call with an MCI phone card would cost no more than \$12.

A call from Continental Europe to Britain, on the other hand, is about half as much with BT or Mercury than with AT&T, MCI or Sprint. A three-minute call from Australia to Britain ranges from about \$5.50 with Telcel to about \$7.50 with BT and \$9.50 with AT&T.

The rule is to shop for cards that provide the best rates for the countries you are traveling to and those you are most likely to call. And beware of making international calls in overseas countries, or local regions, with foreign cards.

If you make a lot of calls from one continent to another — Japan to Europe or America to Europe or Australia — you should sign up with a call-back system. You can often save 50 percent or more on major phone card charges and the local phone company.

Call-back services give you a personal "trigger" number. You dial it, let it ring once, then hang up. The digital switch has been programmed to recognize your number, and immediately calls you back, a computer-generated voice asking for you by name and extension or room number if necessary. You are then connected to a line in the United States, allowing you to make calls anywhere in the world.

### The Frequent Traveler

phone service of their own choosing. You can no longer just rely on an AT&T WorldPlus card or USA Direct for all circumstances. Choosing the right phone system when you're on the road requires serious shopping around.

Major telephone carriers like AT&T, MCI, Telcel and Sprint in the United States and BT and Mercury in Britain all market phone cards. Trawling the small ads, you are likely to find almost as many offers for "low cost" international phone calls ("UK to USA save 50 percent!" or "Portugal to Brazil save 65 percent!") as cheap air fares from budget shops.

A growing proportion of my junk mail consists of invitations to sign up for "significant savings" with phone card products under a galaxy of brand names — many being provided by the same "secondary" carriers like Dial International Telecom, Interglobe and MTC, which buy and resell capacity from the major international telecoms. Then you have so-called "callback" products, like Kalback, MTC One Card, which can save you around 50 percent on intercontinental calls by switching you through the U.S. telephone network from wherever you are in the world.

Phoning from overseas — either to your office or family back home or clients and colleagues around the world — needs both a strategic and tactical approach.

The one thing you don't want to do is call from your hotel room. A recent survey found that a 10-minute call to America varied from \$75.50 at the Frankfurt Sheraton to \$53.60 at the London Selfridge and \$42.80 at the Paris Hilton. A hotel in Paris charged \$270 to send a 23-page fax to one traveler's New York office. This was equivalent to one night at the corporate rate.

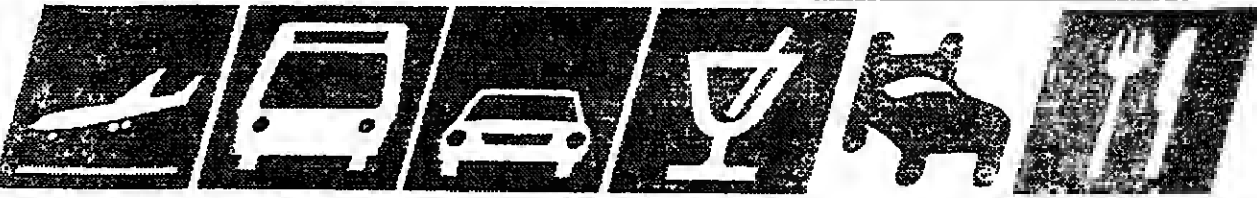
So whenever possible, get people to call you. One device shared by both consultants and students is to place a person-to-person call through the operator to "Mr.

Zilch," for which you will not normally be charged, although the hotel is sure to stick you for a few dollars. This is the signal for your secretary or loved one to call you at the hotel, where they know you are staying. Or else make a brief call home from a pay phone in the lobby. In some countries, like France, pay phones often have a number so people can call you straight back.

In many countries (except the United States), you can buy a prepaid phone card for a certain value — the equivalent of \$5 to \$20 — which avoids the need for a pocketful of strange change. To make a call, you insert the card into a slot on the phone. The cost of each call is automatically deducted from the card's remaining value, which is either printed on the card or shown on a screen. There are some public telephones where you can simply "swipe" your favorite plastic and be debited in the normal way. Local phone companies typically charge twice as much for calls from pay phones than private phones. Credit card companies typically add around \$2 to the cost of the calls.

Phone cards are simple to operate from practically anywhere. You dial an access code (through local 800 numbers available in about 60 countries) plus your account

## AT A GLANCE: GOOD TRAVEL DEALS



Carrier/Hotel	Location	Deal
Air France	Britain to France	New "Business in France" fares offer saving of up to 30 percent on normal business-class fares on flights to 29 French provincial cities. Valid for direct flights or via Paris.
Continental Airlines	Britain to United States	Two-for-one for full-fare business-class passengers flying from Gatwick to Newark. Passengers must travel together. Until Sept. 9.
Finnair	Britain to Helsinki	Round-trip business-class fare from London to Helsinki reduced from £526 to £475 (\$730), and Manchester-Helsinki and Stockholm from £884 to £576. Until Oct. 31.
Marina Mandarin Hotel	Singapore	Pay with a Visa card and get special rate of 300 Singapore dollars (\$200) per night. Rate includes upgrade to a suite, saving 600 dollars.
Marriott	Europe	Discounts of 50 percent for stays including a Saturday night at hotels in Germany, the Netherlands, Austria, Hungary, Greece and Poland. Until Sept. 15.
Marriott	United States, Australia, Mexico	Stay three nights and get the fourth night free at participating resort hotels in Alabama, California, Florida and New Jersey and Australia, Bermuda and Mexico. Until Dec. 16.
Regent International Hotels/American Express	Worldwide	Pay with an American Express card at any one of 11 Regent International Hotels before Sept. 15 and qualify for a free night's accommodation at any Regent International or Four Seasons hotel. The free night can be redeemed at resorts until Dec. 15, and hotels until Dec. 30.
Royal Brunei Airlines	London to Middle/Far East	Two-for-one in first and business class on flights linking London (Heathrow) with Dubai, Singapore, Brunei and Perth, Australia. Plus £50 (first class) or £25 (business class) worth of Harrods gift vouchers. The free ticket is transferable and can be used on the same or a later trip.
Royal Garden Resort	Pattaya, Thailand	Summer package for 1,500 baht (\$60) includes deluxe ocean-view room and American breakfast for two. Until Sept. 30.
Shangri-La Palm Beach Resort	Penang, Malaysia	Stay one night and get the second night free; applies to single or double occupancy in a standard room. Until Sept. 15.
Sheraton Rio Hotel & Towers	Rio de Janeiro	35 percent off rack rates, free breakfasts and 20 percent discount on food in certain restaurants. Until Dec. 27.
Siam City Hotel	Bangkok	Suites for 3,500 baht (\$140) per night - normal rate 4,900 baht - includes Continental breakfast, free tea and coffee all day, complimentary cocktails and light pressing, and \$50 baht credit for food and beverages in selected restaurants. Until Oct. 31.
SilkAir	Southeast Asia	"Discover Asia" air pass allows you to fly any SilkAir route for \$119 per flight over a 90-day period. You must buy the pass before you arrive in Asia.
Thai Airways	Australia/New Zealand	Royal Orchid Plus members can claim a round-trip economy ticket between Sydney and Auckland for only 15,000 bonus miles; 25,000 miles required for business class. Until Feb. 28.
United Airlines	United States to Europe and Asia/Pacific	United Premium members can claim two round-trip first-class tickets to anywhere United flies in Europe for 160,000 bonus miles (instead of 200,000), and to any Asia/Pacific United destination for 160,000 miles (instead of 200,000). From Sept. 15 till Jan. 1.
Westin	Tokyo	Introductory rates from opening on Oct. 14 of 19,500 yen (\$195) for a "superior" room. Until Feb. 28.

Although the IHT carefully checks these offers, please be forewarned that some travel agents may be unaware of them, or unable to book them.

## BOOKS

### MANDATE OF HEAVEN: A New Generation of Entrepreneurs, Dissidents, Bohemians and Technocrats Lays Claim to China's Future

By Orville Schell. 447 pages. \$25. Simon & Schuster.

### DENG XIAOPING: Chronicle of an Empire

By Ruan Ming. 300 pages. \$69.95, \$19.95 paperback. Westview.

### THE 'STUBBORN PORRIDGE' AND OTHER STORIES

By Wang Meng. 186 pages. \$18.50. Braziller.

Reviewed by Steven Mufson

**S**INCE becoming China's supreme ruler in 1978, Deng Xiaoping has molded the country according to his own vision, with tight Communist Party control over politics and a free-wheeling atmosphere of experimentation and market-oriented policies in economics.

As he turned 90 on Aug. 22, three new books provide vastly different yet complementary looks at Deng's China and the tensions within it.

Schell's well-written "Mandate of Heaven," his seventh book about China, is the most accessible. In choosing his title, Schell is comparing Deng to the emperors who ruled China until

1911. Their power was believed to be based on a cosmic sanction, signified by peace and harmony within the realm.

To Schell, former vice-chairman of the human rights group Asia Watch, the moral bond between the latter-day emperor Deng and the Chinese people was severed on June 4, 1989 when Deng ordered troops to crush the political protest groups that had congregated in Tiananmen Square.

Deng, Schell writes, has attempted "to goad one side of society into radical change while leaving the other frozen in place. In this sense he is much more in the tradition of 19th-century reformers who had imagined that China could borrow technology and management techniques from abroad without affecting the existing society's culture and values, or political essence."

While Schell is outward-looking, Ruan Ming looks inward. In his account of the Deng years, Party factions wage battles against one another using code words such as "the struggle against bourgeois liberalism." His universe is one of Party plenums and congresses, memoranda and official newspaper editorials.

Ruan's detailed account is tough for the casual reader. But it contains new insights about the Deng era and portrays a much more fierce struggle over Deng's reforms than most outside observers perceived.

Before moving to the United States, Ruan was an associate of Hu Yaobang, the Communist Party general secretary in the mid-1980s. Hu was Deng's

first chosen successor — and the first to be cast aside. Hu's funeral in 1989 provided the spark for the demonstrations in Tiananmen Square.

In Ruan's account, Deng appears not only as a mediator and manipulator of contending factions, but also as a target of manipulation by radical reformers and die-hard Communist Party conservatives.

Wang Meng's short stories in "The Stubbish Porridge" provide a glimpse of the innermost thoughts of ordinary Chinese during the Deng era.

Born in 1934, Wang was labeled a "rightist" in 1957 because one of his short stories criticized Party bureaucracy. As a result, he spent 16 years in rural Xinjiang, a harsh, barren province on China's northwest border. Rehabilitated in 1979, he became Minister of Culture in 1986, but stepped down after the 1989 crackdown.

Later an official publication accused Wang's story "Stubbish Porridge" of being a veiled attack on Deng. In a novel twist, Wang sued his attacker for falsely accusing him.

The story, translated into English for the first time, is ostensibly about four generations of a family trying to decide whether to change its diet in accordance with the principles of Reform and Modernization. In the satire, various family members try changing the menu with disastrous consequences for their digestion.

Steven Mufson is the Washington Post's Beijing bureau chief.

### AUSTRALIA

**Sydney**  
Powerhouse Museum, tel: (2) 217-0111, open daily, To Oct. 23: "Christian Dior: The Magic of Fashion." More than 60 covers chronicle the rise of Christian Dior from the launch of his "new look" in 1947, and document his influence on Australian fashion during the 1940s and 1950s.

### AUSTRIAN TOUR

Orchestra de Paris, Sept. 23 to 27: Will perform in Luz (Boulevard's Ninth Symphony), in Vienna and Graz (Berlioz's "Symphonie Fantastique") and "Carnaval Roman, overture" and Dutilleul's "Metabolites.")

### BRITAIN

**London**  
British Museum, tel: 171 323-6525, open daily, To Oct. 23: "Greek Gold: Jewels of the Classical World."

### LOSING SOUL

On Sept. 4, "R. B. Knap: A Retrospective," Tate Gallery, London.  
On Sept. 4, "Roy Lichtenstein," Musée des Beaux-Arts, Montreal.  
On Sept. 5, "La Réforme des Trois Carats: Le Dessin à Bologne, 1550-1620," Musée du Louvre, Paris.  
On Sept. 4, "Picasso and the Weeping Women: The Years of Marie-Thérèse Walter and Dora Maar," Metropolitan Museum of Art, New York.  
On Sept. 4, "Der Meister von Grosslobbing: Österreichische Galerie, Austria.  
On Sept. 4, "British Landscape Watercolors 1750-1850," The Fitzwilliam Museum, Cambridge.  
On Sept. 4, "Caspar David Friedrich to Ferdinand Hodler: A Romantic Tradition," National Gallery, London.

### Metz

Arsenal, tel: 44-78-25-00, open daily, To Oct. 2: "L'Or des Dieux, l'Or des Andes." From the collection of Peruvian banker Guillermo Wiesse, 540 pieces of pre-Columbian jewelry from Peru, Ecuador and Colombia.

### GERMANY

**Frankfurt**  
Schirn Kunsthalle, tel: (69) 299-882-0, closed Mondays, To Nov. 13: "Expressionistische Bilder." About 50 masterpieces of German Expressionism, including works by Beckmann, Kandinsky, Kirchner, Macke and Marc.

### FRANCE

**Paris**  
Centre Georges Pompidou, tel: 44-78-12-33, closed Tuesdays, To Oct. 9: "Joseph Beuys." A chronological presentation of the works of the controversial German artist Joseph Beuys, including drawings, objects, sculptures and more than 70 installations.

### ITALY

**Florence**  
Museo Santa Croce, tel: (55) 234-28-14, open daily, To Oct. 30: "Antonio Gaudí: Il Surrealismo nella Terza Dimensione e nell'Arte Grafica." A selection of sculptures as well as etchings illustrating literary works, such as "Gargantua and Pantagruel," "Tristan and Isolde" and "Hamlet."

Also features 105 illustrations for the Bible showing the deep religious beliefs of the Spanish artist.

### Singapore

**National Museum**, tel: (65) 332-3556, closed Mondays, To Nov. 13: "Aumura: 5000 Years of India." This exhibition, which covers the period 3000 B.C. to 1900 A.D., includes stone, bronze and terra-cotta images of deities, paintings of court life, everyday life and nature, jewelry and other examples of decorative art on loan from the National Museum, New Delhi, Singapore institutions and private collectors.

### SWITZERLAND

**Lausanne**  
Musée Cantonal des Beaux-Arts, tel: (21) 312-53-32, closed Mondays, To Nov. 27: "René Auberjonois." A retrospective of the works of the 20th-century Swiss painter. More than 100 portraits, still lifes and interiors and 150 drawings document the painter's sources of inspiration: impressionism, his friendship with writers, composers and sponsors, and the Swiss region of the Valais.

**Musée de l'Elysée**, tel: (21) 617-48-21, closed Mondays, To Oct. 30: "An exhibition of four photographers: Saudi Arabia as seen by Humberto da Silveira from Brazil, views of the Arab world by Lebanese artist Samir Mohamad and of the Middle East at the end of the 19th century."



Detail from "La Servante" by René Auberjonois, on show in Lausanne.

### UNITED STATES

**New York**  
Bard Graduate Center, tel: (212) 721-4245, closed Mondays, To Oct. 30: "Baroque Splendor: The Art of the Hungarian Goldsmith." Examines the development of goldsmiths' and jewellers' art from the Renaissance to the Baroque periods. Features 200 silver vessels, ecclesiastical treasures, jewels, arms and armor, textiles, paintings and engravings.

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GERMANY



Patricia Wells is the author of *The Food Lover's Guide to Paris*, now in its third edition.

## BRIDGE

**By Alan Truscott**  
**ZIA MAHMOOD** held the East hand, and defended three no-trump. North's two-diamond bid at his second turn was "a minor forcing," asking South for information about his major-suit holdings. West therefore led a diamond, since that was the only suit that had not been genuinely bid.

First, consider how the play would proceed with normal defense. South plays low from dummy and East wins the king and returns the suit. South sees that he can make at most eight tricks unless he brings in at least three spade tricks, so he plays for West to have the spade queen and finds he has 10 tricks. That sequence was followed when Zia's teammates held the North-South cards.

As East, Zia knew that the spades were favorably placed for South, so he tried to confuse the issue for the declarer. When the diamond six was played from the dummy he played the unexpected jack instead of the routine king. This play was not going to cost anything, whoever held the queen.

When South won with the queen, he was now convinced that the diamond king was on his left, which meant that he could take three diamond tricks, not two. This offered the prospect of taking seven tricks in the red suits plus two spade winners, so he played three top hearts. When the jack failed to drop he confidently finessed the diamond ten, and was considerably deflated when Zia produced the diamond king and

shifted to the club queen, defeating the contract.

**NORTH**  
♠ A J 10 6 4  
♥ K 5 2  
♦ A 10 6  
♣ 10 7  
**EAST**  
♠ 9 8 5  
♥ 7 4  
♦ K J 5 4  
♣ 8 6 3  
**SOUTH (Q)**  
♠ K 2  
♥ A Q 10 6  
♦ Q 8 2  
♣ J 5 4  
Both sides were vulnerable. The bidding:  
South West North East  
1 ♠ Pass 1 ♠ Pass  
1 NT Pass 3 NT Pass  
Pass Pass  
West led the diamond three

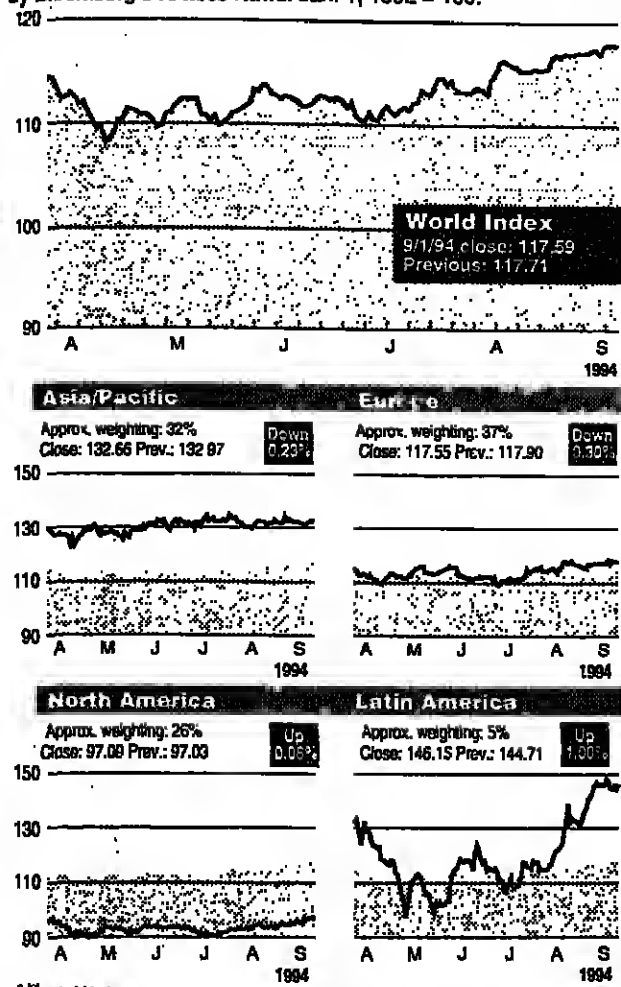








**THE TRIB INDEX: 117.59** Down 0.10  
International Herald Tribune World Stock Index, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and other major financial centers. The index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors	This Week	Prev. Week	% Change	This Week	Prev. Week	% Change
Energy	115.69	115.44	+0.22	Capital Goods	120.17	+0.02
Utilities	130.88	130.77	+0.08	Raw Materials	135.88	+0.04
Finance	117.35	117.88	-0.45	Consumer Goods	104.92	+0.15
Services	123.32	123.55	-0.19	Miscellaneous	137.17	-0.04

For more information about the index, a booklet is available free of charge. Write to Trib Index, 191 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

## European Defense Firms on Alert Lockheed Martin Apt to Be Formidable Competitor

By Joseph Fitchett  
International Herald Tribune

PARIS — The sudden emergence of Lockheed Martin has alarmed European defense contractors, who fear that it marks a competitive gain for the United States in the world's arms-export markets, executives and analysts said Thursday.

But few of these insiders said they saw a strong chance that the European defense industry would match the U.S. competitor's rapid moves to consolidate and restructure anytime soon.

Some looked for a silver lining. They predicted that the proposed \$11 billion merger of Lockheed Corp. and Martin Marietta Corp., the second- and third-largest U.S. military contractors, would spur faster consolidation among Europe's weapons-makers and the creation of cross-border firms to compete more strongly in world markets.

"In Europe everyone is conscious that we have things to do, and we're not doing them fast enough, but there is a kind of cultural inertia both in companies and in government bureaucracies," said Jean-Louis Gergorin, a board member of Matra-Hachette SA of France in charge of the company's strategy.

Matra has hatched Europe's inertia, setting innovative joint ventures with British companies to combine the production of

military and telecommunications satellites and the missile operations.

But another executive at Matra said that this deal took months, even years, to reach fruition, in contrast to the weeks required for Lockheed and Martin Marietta to team up.

Mr. Gergorin called the U.S. merger "a very positive development" that should foster similar moves in Europe's defense industry to ensure it remained competitive.

But many analysts were skeptical about the readiness of most countries, each with national champions dominating their defense industries, to absorb the political pain of job losses implied by closing excess capacity as radically as U.S. defense companies have done in a wave of mergers over the last five years.

Consolidation goes along with any move to force defense companies straddling European borders, thus gaining a home market large enough for manufacturers to develop new products — the key to success in the export business.

Exports "are what matter because they are much more lucrative than any contract you can sign with cost-conscious Western defense ministries," a British executive said.

International market share is what Europeans see as the goal of the Lockheed Martin merger, according to Paul J. Friedrich, an independent consultant in

Bonn. He said there was particular concern about "the Americans achieving critical mass," allowing them to dominate world sales, particularly in fighter aircraft.

Some Europeans, particularly such leading French defense contractors as Thomson SA and Dassault Aviation SA, see the proposed merger as the latest evidence of a grand U.S. design to capture a bigger market share in all sectors of world trade.

[Prime Minister Edouard Balladur of France said his country would emphasize defense, along with employment and "cultural identity" when his country assumes the rotating European Union presidency in January, AFP-Exel News reported from Paris. He called on member countries "to start thinking quickly on drawing up a white paper on European defense."]

To some extent, Lockheed Martin will gain a new edge in foreign sales, partly through savings from merging operations in key countries in Asia and the Middle East, partly by having a stronger calling card. For example, the new company's range of operations will enable it to come up with better offer deals, offering some local manufacturing, perhaps on another product, as part of a weapons sale to a government.

To strengthen Europe's defense industry. See DEFENSE, Page 13

## Data Hint Fed Not Tilting at Windmills

Compiled by Our Staff From Dispatches

WASHINGTON — The har- rage of late-summer statistics pointing to slackened U.S. economic growth now exhibits a pattern that could imply somewhat faster inflation as well, according to various government and private-sector reports.

While not yet setting off alarms, the price pressures seem to support the persistent credit-tightening by the Federal Reserve Board this year in its effort to prevent inflation from accelerating.

U.S. manufacturing slowed in August to its lowest level in eight months, but raw materials

prices rose to the highest level in six years, the National Association of Purchasing Management reported Thursday. The association said its manufacturing index based on survey results declined to 56.2 percent in August from 57.8 percent in July. An index reading above 50 percent indicates an expansion, while a reading below 50 percent indicates a contraction.

Production and new orders both grew at a lower rate in August than in the previous month, the survey showed.

But the survey's price component suggested the economy has not slowed enough to stave off

inflation. Manufacturers continue to see higher prices for the materials they use to produce goods. The survey's price index rose for the fifth consecutive month, to its highest level since the summer of 1988.

"Economic growth is strong and inflation is getting ready to break out into the general economy," said Robert McGee, chief economist at Tokai Bank Ltd. in New York. "Financial markets have been living in a dream world over the past few weeks trying to convince themselves that the economy is slowing down."

The specter of inflation raised in the purchaser's data briefly sent the price of the benchmark 30-year Treasury bond lower and weighed on the dollar because slow demand for U.S. securities means reduced

need for the currency in which they are denominated.

Factories also reported that they were having a difficult time getting supplies on time. Supplier delivery performance was substantially slower in August, compared with July, the report showed.

On Wednesday, corporate purchasing managers in the Chicago and New York areas reported higher readings for August in their indexes of prices paid, while a Commerce Department tally showed a sharp jump for July in the price of materials particularly sensitive to the pace of business activity.

"We believe that inflation likely will surprise on the upside," Salomon Brothers Inc. told clients Wednesday, con-

See INFLATION, Page 12

## Shares Tumble As Bundesbank Declines to Ease

Compiled by Our Staff From Dispatches

LONDON — European stock prices tumbled Thursday amid a return of inflation worries and signs that the recent decline in interest rates may be ending.

The Bundesbank's policy-making council, meeting in Frankfurt, decided to leave its interest rates at current levels, reinforcing a growing suspicion in the market that the trend to easier credit in major European markets was becoming a thing of the past.

German shares finished the official trading session lower, dropping from their intraday highs after the Bundesbank decision, and prices slipped further in after-hours trading. The DAX index ended the session at 2,200.80, down 12.05 points, and was quoted around 2,185 in later unofficial dealing.

Daimler-Benz AG moved against the trend, climbing 3.50 Deutsche marks to close the official session at 841 (\$532), adding to the gains it made Wednesday on better-than-expected first-half results.

The Financial Times-Stock Exchange index of 100 leading British shares ended 34.80 points lower, at 3,216.50.

Reckitt & Colman fell 25 pence, to 627 (\$9.62), after first-half results came in below market forecasts and the company forecast no improvement in trading conditions for the rest of the year.

French stocks tumbled 1.7 percent, their highest one-day loss in two-and-one-half months. Shares also fell on most other European stock markets except for Stockholm, where the index was lifted by a 4 percent rise in the pharmaceutical concern Astra AB.

The CAC-40 index of leading French companies fell 34.17 points to 2,034.91, wiping out much of a recent rally. Most of the 40 companies in the index fell, led by the telecommunications and electrical-engineering concern Alcatel Alsthom, which lost 19 francs to 590 (\$107).

Investors' suspicions about interest rates were buttressed

by signs that the German economy was growing more rapidly than thought: West German industrial production rose 2.2 percent in July and 7.5 percent in the latest year.

The French economy is not recovering as strongly as the German one, and investors in Paris would like to see further rates cuts to stimulate investment and profit and to cut the cost of debt service.

But, in a sign that the Bundesbank still sets the direction of interest rates in major European economies, the Bank of France announced it was leaving its intervention rate, which acts as a floor rate in the official money market, unchanged at 5 percent.

(Reuters, Bloomberg, AFP)

## Schneider Chief Snubs Summons To Go to Belgium

Compiled by Our Staff From Dispatches

PARIS — Didier Pineau-Valencienne, the chairman of Schneider SA, plans to defy a summons by Belgian authorities for an interview in a fraud inquiry on Saturday, the French company said on Thursday.

A Schneider spokeswoman said: "He will not go." On Wednesday, Schneider said it had taken steps to get an annulment of the legal proceedings taken against Mr. Pineau-Valencienne in Belgium, which led to 12 days in prison in late May and early June.

Belgian sources said that even though Mr. Pineau-Valencienne had agreed, as one condition of his release, to return to Belgium in compliance with any summons from a Belgian judge, his refusal now would not put him back in jail because he is protected by French extradition rules.

Schneider has said its chairman was still willing to cooperate with Belgian justice, but only in France and under supervision by French legal authorities.

(Reuters, AFP)

## WALL STREET WATCH

### CGM Blazes Its Own Trail

By Stan Hinden  
Washington Post Service

WASHINGTON — This is how the future looks to G. Kenneth Heebner, one of America's top mutual-fund managers: The rise in interest rates is not going to derail the economy; stable food and energy prices will keep inflation in check; and real estate will once again become a money-making investment.

It is not surprising that these forecasts sound contrary to what one hears from Wall Street. Mr. Heebner, the 53-year-old manager of the top-rated CGM Capital Development Fund in Boston, has always liked to blaze his own trail through the investment jungle.

"I want to have a viewpoint that is not widely believed," said Mr. Heebner. His reason: If others do not share his investment ideas, he can buy the stocks he likes before they rise.

CGM Capital Development has been the second-best performing stock fund for the last 10 years and the third best for the past five years, according to Lipper Analytical Services Inc. CGM Capital, which invests in growth stocks, is now closed to new investors.

One of Mr. Heebner's best years was in 1991, when health and food stocks helped power his fund to a 99 percent gain. This year, though, has been a tough one. He has made big bets on industrial companies in the belief their earnings and shares would benefit from a strengthening economy.

Those stocks were knocked back when the Federal Reserve Board raised interest rates. Some investors became convinced that business would weaken and the country might go

back into recession. So they sold the stocks that Mr. Heebner favors.

As a result, Mr. Heebner's fund, which has \$457 million invested in 25 stocks, dropped 15 percent by June 30. Recently, economically sensitive stocks have started to rebound and Mr. Heebner's fund is now down about 10 percent.

Trying to stay ahead of the crowd is not a risk-free strategy, and Mr. Heebner admits he has made his share of mistakes. The important thing, he said, "is to position yourself in front of a big winner."

When Mr. Heebner talks about "big winners," he is talking about companies such as Stone Container Corp., a maker of corrugated containers and liner board, which is used for the outer shell of boxes.

Mr. Heebner has more than 5 percent of his fund's money in Stone, whose shares sell for about \$18, up from \$6.50 a year ago. A strengthening economy has increased demand for boxes, allowing Stone to raise its prices for liner board from \$290 a ton last year to \$425 a ton starting Sept. 1.

Mr. Heebner also has invested heavily in steel, gypsum and chemical companies. Unlike many on Wall Street, Mr. Heebner is not afraid of rising interest rates. He said the rise in short-term rates "is not going to interfere with very strong growth in our economy and the other economies around the world."

As for inflation, Mr. Heebner said he foresees no great pickup in the next 12 months because there is little pressure for wage increases and the cost of food and energy has been stable.

However, Mr. Heebner said he expected

See CGM, Page 13

## Argentina To Speed Up Privatization

Compiled by Our Staff From Dispatches

BUENOS AIRES — Argentina has announced a sweeping plan to sell all major companies now in government hands to the public within 16 months.

By the end of 1995, all airports, three nuclear power plants, the national post office, the mint and Argentina's biggest petrochemicals plant will be privatized, Domingo Cavallo, the finance minister, told a group of Argentina's top bankers Wednesday.

"This is the start of a second round of reforms of the state," he said. "All business activity will be transferred to the private sector so that more resources can be devoted to justice, security, health and education."

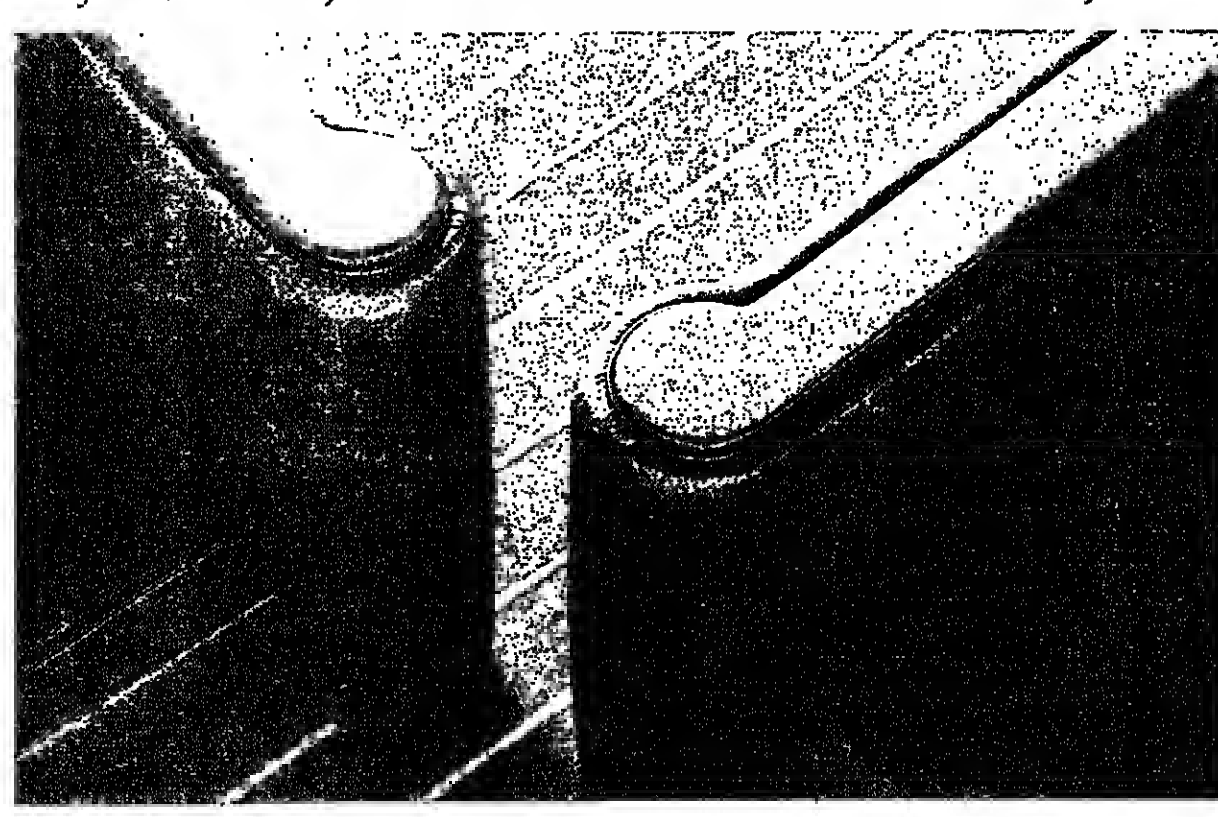
No estimate was immediately available of how much money the privatizations could bring into the state's coffers.

President Carlos Saul Menem, since coming to office in 1989, has raised about \$20 billion through privatization of companies, including utilities, the national airline and the national petroleum company.

The country also plans to raise funds through a government hiring freeze and administrative cost cutting.

(Reuters, Bloomberg)

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### Cross Rates

	\$	DM	FF	Yen	£	Sw	Sc	Sept. 1
American	1.00	1.63	6.55	110.36	0.70	1.36	1.48	1.29
British	0.70	1.00	4.76	156.36	1.00	1.93	2.06	1.72
French	0.15	0.20	1.00	166.63	0.15	0.70	0.75	0.63
German	0.61	1.00	6.55	136.36	0.61	1.00	1.06	0.91
Italian	0.19	0.26	1.00	193.63	0.19	0.75	0.80	0.67
Japanese	0.009	0.013	0.015	1.00	0.009	0.013	0.014	0.011
Swedish	0.68	0.92	3.76	136.36	0.68	1.00	1.06	0.91
Swiss	0.75	1.00	4.76	136.36	0.75	1.00	1.06	0.91
Yen	0.009	0.013	0.015	1.00	0.009	0.013	0.014	0.011
£	0.70	1.00	4.76	156.36	1.00	1.93	2.06	1.72
Sw	1.36	1.93	7.00	136.36	1.36	1.00	1.06	0.91
Sc	1.48	2.06	7.50	136.36	1.48	1.06	1.00	0.91

Source: Reuters. All rates are for 100 U.S. dollars unless otherwise indicated.

Other Dollar Values

Currency	Per \$	Per 100	Currency	Per \$	Per 100
Australian	0.94	94.00	Mexican peso	20.36	2,036.00
Belgian franc	0.33	33.00	Netherlands guilder	1.80	180.00
Canadian dollar	0.71	71.00	Portuguese escudo	200.48	20,048.00
Chinese yuan	8.27	827.00	Russian ruble	25.00	2,500.00
Danish krone	6.46	646.00	Saudi riyal	3.75	375.00
Deutsche mark	1.93	193.00	South African rand	1.00	100.00
French franc	6.55	655.00	Thai baht	25.00	2,500.00
Italian lira	2.00	200.00	Turkish lira	1.00	100.00
Japanese yen	110.36	11,036.00	UAE dirham	2.67	267.00
Spanish peseta	166.63	16,663.00	Venez. bolivar	1.00	100.00
Swiss franc	0.75	75.00			
Yen	110.36	11,036.00			

Source: Reuters. All rates are for 100 U.S. dollars unless otherwise indicated.

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Australian	0.94	0.94	0.94	Canadian dollar	0.71	0.71	0.71
Belgian franc	0.33	0.33	0.33	Japanese yen	0.009	0.009	0.009
Chinese yuan	8.27	8.27	8.27				

Source: Reuters. All rates are for 100 U.S. dollars unless otherwise indicated.

### Eurocurrency Deposits

	Dollar	DM	FF	Yen	£	Sw	Sc	Sept. 1
1 month	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
3 months	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
6 months	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
1 year	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50

Source: Reuters. All rates are for 100 U.S. dollars unless otherwise indicated.

### Key Money Rates

	Close	Prev.	Britain	Close	Prev.
Discount rate	4.00	4.00	Bank rate	5.00	5.00
Prime rate	7.50	7.50	Call money	4.00	4.00
Federal funds	4.50	4.50	1-month interbank	5.00	5.00
3-month CDs	4.50	4.50	3-month interbank	5.00	5.00
Comm. paper 90 days	4.50	4.50	6-month interbank	5.00	5.00
1-year Treasury bill	4.50	4.50	10-year interbank	5.00	5.00
2-year Treasury bill	4.50	4.50	10-year Government bond	4.75	4.75
3-year Treasury bill	4.50	4.50			
5-year Treasury bill	4.50	4.50			
7-year Treasury bill	4.50	4.50			
10-year Treasury bill	4.50	4.50			
20-year Treasury bill	4.50	4.50			
Merrill Lynch 30-day yield	4.50	4.50			
Source: Reuters. All rates are for 100 U.S. dollars unless otherwise indicated.					

Source: Reuters. All rates are for 100 U.S. dollars unless otherwise indicated.



## MARKET DIARY

## New Inflation Fears Pull Dollar Down

Compiled by Our Staff From Dispatches

NEW YORK — The dollar followed the U.S. Treasury market lower after a manufacturing report suggested inflation may be accelerating.

At the dollar's decline was limited as traders wait for the release Friday of the U.S. em-

ployment report for August, which is considered a better measure of the economy's strength.

## Foreign Exchange

The National Association of Purchasing Management's manufacturing index fell in August, but the price-index index, which investors see as a guide to the outlook for U.S. inflation, rose to 74.5 in August from 73.1 in July.

"Normally, things that are bad for Treasuries are good for the dollar, and vice versa, but at the moment, the dollar's trading off the back of Treasuries," said Warwick Lightfoot, an economist at Royal Bank of Scotland in London.

The dollar ended trading at 1.5744 Deutsche marks, down

from 1.5818 DM on Wednesday, at 99.75 yen, down from 100.19 yen. The dollar slumped to 1.3325 Swiss francs from 1.3325 francs and to 5.391 French francs from 5.4135 francs.

The pound rose to \$1.5454 from \$1.5355.

In Europe, the dollar was steady against the mark after Germany's central bank left interest rates unchanged, a move most traders expected.

Now the focus is on the employment report. But a too-strong employment report could also unnerve investors by heightening concern that the Federal Reserve Board was not raising rates fast enough to control U.S. inflation, traders said.

"The way things are in the market right now, strong economic data isn't that good for the dollar," said Paul Farrell, manager of strategic currency trading at Chase Manhattan Bank. "People want to see a stable environment that encourages investment."

(Bloomberg, Reuters)

## INFLATION: Wall Street Slips

Continued from Page 11

tending that the Fed probably would raise interest rates at its November policy meeting.

The government said Thursday that construction spending

rose 0.6 percent in July — the fifth straight advance — led by the highest government outlays in eight months.

Meanwhile, the number of Americans filing first-time claims for state unemployment benefits rose by 9,000 last week, to the highest level in six weeks.

The country's chain stores reported that sales slowed in August, evidence consumers were beginning to resist rising prices.

Although reports of purchasing managers are seen by some analysts as unreliable inflation gauges, the Chicago group raised eyebrows in citing "increased strength" in prices paid. Production also rose sharply, while new orders showed a small decline.

The New York chapter of the National Association of Purchasing Management said, meanwhile, that its price index climbed in August to match the highest reading since the survey began in mid-1993. A sharply higher proportion of members

— 58 percent, up from 50 percent — reported slowing deliveries from suppliers.

Technology Issues Fall

A sell-off in technology stocks and inflation jitters sparked by the purchasing data kept Wall Street pinned down Thursday, new agencies reported.

The Dow Jones industrial average closed down 11.96 points, at 3,901.44, while losing issues outnumbered gaining ones by a 3-to-2 ratio on the New York Stock Exchange.

The price of the 30-year bond finished steady at 100 19/32 and the yield was 7.45 percent.

Compac Computer was the most actively traded stock on the NYSE, falling 2 1/4 to 34 1/2 on sentiment that the computer industry was slowing as a whole.

That sentiment was sparked by AST Research, which fell 4 1/2 to 13 1/2 in active trading after it said late Wednesday that it would post a loss in its first financial quarter and revenue would be flat.

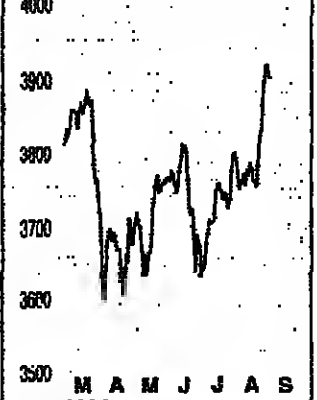
International Business Machines lost 1 1/2 to 67 1/2 and Micro-soft dropped 1 1/2 to 56 1/2.

Sundown Financial downgraded its opinions of Compac and Microsoft because of concern about shrinking gross profit margins. (Bloomberg, Reuters)

## The Dow

Daily closings of the Dow Jones industrial average

4000



NYSE Most Active

Vol.	High	Low	Last	Chg.
ACT	148.00	127.00	127.00	-2.00
Alcoa	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00

## NASDAQ Most Active

Vol.	High	Low	Last	Chg.
ACT	148.00	127.00	127.00	-2.00
Alcoa	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00

## AMEX Most Active

Vol.	High	Low	Last	Chg.
ACT	148.00	127.00	127.00	-2.00
Alcoa	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00
Amgen	110.00	108.00	108.00	-1.00

## Market Sales

Market Sales		
	Today	Prev.
	Close	Cons.
NYSE	262.84	430.87
Amex	15.10	25.04
Nasdaq	292.77	123.99

## Dow Jones Averages

Open	High	Low	Last	Chg.
Index	3901.44	3891.44	3891.44	-11.96
Transp.	143.77	142.22	142.22	-4.74
Indus.	107.55	106.83	106.83	-4.74
Comp.	104.79	104.07	104.07	-7.20

## Standard &amp; Poor's Indexes

	High	Low	Close	Ch'ge
Industrials	538.19	534.15	535.93	-2.24
Transp.	109.22	108.50	108.17	-1.45
Utilities	109.22	108.52	108.49	-7.75
Finance	46.59	46.22	46.34	-0.23
SP 500	425.47	421.74	421.17	-3.32
SP 100	437.46	435.00	436.49	-0.77

## NYSE Indexes

	High	Low	Last	Chg.
Composite	261.99	260.27	260.98	-1.01
Industrials	325.53	323.48	324.58	-0.95
Transp.	149.52	148.35	148.60	-0.81
Utility	211.02	208.72	208.98	-2.95

## NASDAQ Indexes

	High	Low	Last	Chg.
Composite	760.33	757.70	759.22	-6.40
Industrials	766.07	764.76	766.63	-4.62
Banks	782.52	779.74	782.34	-1.08
Insurance	939.44	930.89	937.10	-7.36
Real Estate	947.36	938.00	940.13	-2.38

## AMEX Stock Index

AMEX Stock Index			
High	Low	Last	Chg.
454.48	452.94	454.02	-0.32

## Dow Jones Bond Averages

Open	High	Low	Last	Chg.
Index	3901.44	3891.44	3891.44	-11.96
Transp.	143.77	142.22	142.22	-4.74
Indus.	107.55	106.83	106.83	-4.74
Comp.	104.79	104.07	104.07	-7.20

## NYSE Diary

Advanced	Declined	Unchanged
1335	1234	1234
1335	1234	1234
1335	1234	1234
1335	1234	1234
1335	1234	1234

## AMEX Diary

Advanced	Declined	Unchanged
1335	1234	1234
1335	1234	1234
1335	1234	1234
1335	1234	1234
1335	1234	1234

## NASDAQ Diary

Advanced	Declined	Unchanged
1335	1234	1234
1335	1234	1234
1335	1234	1234
1335	1234	1234
1335	1234	1234

## Spot Commodities

Commodity	Today	Prev.
Aluminum	8.08	8.08
Steel	21.00	21.00
Silver	5.00	5.00
Gold	320.00	320.00
Crude Oil	24.00	24.00

## Tiny Rowland Keeps His Job at Lonrho

Compiled by Our Staff From Dispatches

LONDON — Lonrho PLC said Thursday that Roland "Tiny" Rowland would remain joint chief executive of the London-based conglomerate, refuting speculation that the board would oust the 76-year-old executive who has spent 33 years at the conglomerate's helm.

"As far as speculation in the press regarding Mr. Rowland's role in the company is concerned, the board confirmed this was totally unfounded and that it remains unchanged," Lonrho said.

In January, a boardroom struggle at Lonrho shifted control of the company to the German property developer Dieter Bock and away from Mr. Rowland.

Mr. Rowland, whose nickname is derived from his large size, continued to serve as joint chairman. There had been speculation recently that Mr. Rowland would be forced out because of disclosures that he costs the company more than \$5.5 million (\$8 million dollars) a year in salary and expenses.

(AFP, Bloomberg, Reuters)

## EUROPEAN FUTURES

Open	High	Low	Last	Chg.
Index	3901.44	3891.44	3891.44	-11.96
Transp.	143.77	142.22	142.22	-4.74
Indus.	107.55	106.83	106.83	-4.74
Comp.	104.79	104.07	104.07	-7.20

## Metals

Open	High	Low	Last	Chg.
Index	3901.44	3891.44	3891.44	-11.96
Transp.	143.77	142.22	142.22	-4.74
Indus.	107.55	106.83	106.83	-4.74
Comp.	104.79	104.07	104.07	-7.20

## Financial

Open	High	Low	Last	Chg.
Index	3901.44	3891.44	3891.44	-11.96
Transp.	143.77	142.22	142.22	-4.74
Indus.	107.55	106.83	106.83	-4.74
Comp.	104.79	104.07	104.07	-7.20

## Stock Indexes

Open	High	Low	Last	Chg.
Index	3901.44	3891.44	3891.44	-11.96
Transp.	143.77	142.22	142.22	-4.74
Indus.	107.55	106.83	106.83	-4.74
Comp.	104.79	104.07	104.07	-7.20

## Dividends

Company	Per Amt	Pay Rec
Amgen	1.00	1.00
Amgen	1.00	1.00
Amgen	1.00	1.00
Amgen	1.00	1.00
Amgen	1.00	1.00

## To subscribe in Germany

Open	High	Low	Last	Chg.
Index	3901.44	3891.44	3891.44	-11.96
Transp.	143.77	142.22	142.22	-4.74
Indus.	107.55	106.83	106.83	-4.74
Comp.	104.79	104.07	104.07	-7.20

## Japan Punishes Drug Firm

Compiled by Our Staff From Dispatches

TOKYO — Japanese health authorities on Thursday ordered a drug company to stop production for more than three months as punishment for withholding information about an anti-cancer drug blamed for 15 deaths.

The penalty against Nippon Shoji Ltd. of Osaka was the most severe ever by the Health and Welfare Ministry. The company's one plant in western Japan will be forced to shut from Sept. 5 to Dec. 18.

(AP, Reuters)

## U.S./AT THE CLOSE

## TWA Reaches Accord With Pilots

ST. LOUIS, Missouri (Bloomberg) — Trans World Airlines Inc. and its pilots union said Thursday they had reached a tentative agreement that provides from \$30 million to \$35 million in annual cost savings through modified work rules and enhanced "participative management."

The new agreement, which covers TWA's 2,700 pilots, is subject to a ratification vote. The accord was reached after 25 days of negotiations.

Talks with the flight attendants' union continued. TWA's machinists approved work-rule changes Wednesday expected to result in savings of \$80 million to \$85 million on an annual basis.

## AST Stock Drops on Profit Warning

IRVINE, California (Bloomberg) — AST Research Inc. shares fell sharply Thursday after the personal computer maker said it expected to post "disappointing" first-quarter results because of product delays and lower computer prices.

AST, one of the top 10 makers of personal computers worldwide, said a shortage of components and delivery problems had contributed to the company's financial problems. The news was released after the stock market closed Wednesday. Shares of ASD fell \$4.98, or 27 percent, to \$13.03 on Thursday.

AST's rivals Compaq Computer Corp., Digital Equipment Corp. and International Business Machines Corp. recently have cut prices on their personal computers.

## Sterling Slashes KnowledgeWare Bid

ATLANTA (Bloomberg) — Sterling Software Inc. cut the price it will pay for KnowledgeWare Inc. by more than 50 percent after the computer software company posted large losses. Sterling said Thursday.

Dallas-based Sterling agreed to pay about \$7.85 per share in stock for KnowledgeWare on Aug. 1. The company said it reduced its stock-swap offer to about \$4.88 a share because of KnowledgeWare's finances.

KnowledgeWare said Thursday it posted a fourth-quarter loss of \$15.4 million partly because it took a charge to cut jobs by 25 percent.

## Brach to Buy Brock in Sweets Deal

CHATTANOOGA, Tennessee (Combined Dispatches) — Brock Candy Co. said Thursday it agreed to be bought by a rival, but similarly named candy maker, E.J. Brach Corp., for \$140 million, or \$20 a share.

Both companies are family controlled, but Brach is not publicly traded. The combined company will be called Brach & Brock Confections Inc.

One of the better-known Brock family members is Bill Brock, the former labor secretary and U.S. senator from Tennessee who is currently running for a Senate seat representing in Maryland. Brock Candy's stock jumped \$6.56, to \$19.375 on Thursday, following a gain of \$4.00 on Monday, when the takeover talks were announced.

(AP, Bloomberg)

## Colgate Expected to Trim 3,000 Jobs

NEW YORK (Bloomberg) — Colgate-Palmolive Co., which has undergone three restructurings in the past 10 years, is about to embark on another one, a source said Thursday.

Details are still being sorted out, but the company has decided on a revamping that will cost at least \$100 million and eliminate up to 3,000 jobs, or 11 percent of its work force, a management consultant familiar with the situation said. Another 3,000 jobs will probably be relocated, the consultant said.

"This should be a good, proactive event," said Walter Beach, an analyst at Widmann, Gift & Co. "When you have a company that has strong solid growth potential it makes a lot of sense to realize your operations every once in a while." Colgate refused to comment.

## For the Record

Lord Day & Lord, Barrett Smith, a New York law firm, said its partners approved a plan that would dissolve the firm Sept. 30. After Sept. 30, the firm's practice groups are expected to join other firms.

KeyCorp said it had agreed to acquire Omnibancorp, a Denver, Colorado, company, for \$132 million in stock. Omnibancorp, a privately held bank, has \$500 million in assets and 18 offices in the Denver area.

General Re Corp. and Colonia Konzern AG Group said they would form a joint venture that would provide reinsurance coverage in Europe.

(Knight-Ridder)

## WORLD STOCK MARKETS

Agencies France Press Sept. 1

## Amsterdam

Open	
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## EUROPE

# Elf Aquitaine Profit Falls But Beats Its Forecast

Compiled by Our Staff From Dispatches  
PARIS — Elf Aquitaine said Thursday its first-half net profit fell 11 percent from a year earlier, mainly because of weak oil prices, but the decline was smaller than the company itself predicted a little more than two months ago.

The former state-owned oil company, in which a majority stake was sold to private investors early this year, said it earned 1.22 billion French francs (\$225 million) in the six months, compared with 1.37 billion francs a year earlier, as revenue improved to 105.48 billion francs from 102.67 billion francs.

But in late June, Elf said it expected a 20 percent drop in first-half net income.

Elf's chairman, Philippe Jaffré, refused to make any forecasts about full-year results, citing "the volatility of oil prices."

Elf, one of the world's largest oil companies, said a turnaround in its chemical opera-

tions was not enough to offset poor trading conditions in the oil sector.

Operating profit from its chemical businesses rose to 713 million francs from 176 million francs because of cost-cutting and Europe's economic recovery, Elf said.

A spokesman said that a strengthening European economy had helped the chemical sector, but he said conditions in the oil sector were "really bad" in the first half as oil prices fell 13 percent and the dollar declined.

A fall in crude oil prices depressed Elf's refining margins to an average of \$2.62 a barrel in the first half, compared with \$2.86 a barrel a year earlier.

The company also said it planned to press ahead with its program of selling 5 billion francs of assets this year despite a delay caused by a slide in share prices. An official said Elf had sold 1.5 billion francs of assets so far this year.

Operating profit, which excludes financial and one-time items, fell 12 percent, to 4.95 billion francs from 5.61 billion francs.

Mr. Jaffré said that Elf's indebtedness, which had been soaring in recent years, was expected to remain at 50 percent of equity in 1994, unchanged from last year.

Its pharmaceutical subsidiary, Sanofi SA, said its net income in the first half edged up to 460 million francs from 456 million francs a year earlier.

Sanofi, which counts Yves Saint Laurent, Van Cleef & Arpels and Nina Ricci among its perfume brands, said sales improved to 12.3 billion francs from 10.6 billion francs. A company executive said analysts' forecasts of a full-year profit of 1.30 billion to 1.35 billion francs, compared with 823 million francs last year, was achievable.

(AP, Reuters, AFP, Bloomberg)

# Leaked Profits Stain Daimler's Reputation

Bloomberg Business News

STUTTGART, Germany — Daimler-Benz AG officials said Thursday they were "embarrassed" and "baffled" by the premature disclosure Wednesday of the company's half-year earnings — a move that gave some investors an inside track on significant gains in the company's shares.

The premature disclosures at Germany's largest industrial enterprise, maker of Mercedes-Benz cars and trucks, highlight the difficulty German companies have in adapting to strict rules on information disclosure enacted by a new law banning insider trading, which goes into effect Jan. 1.

It is especially embarrassing for Daimler, the only German company listed on the New York Stock Exchange, because it has touted its ability to conform to stringent rules set by the Big Board and the U.S. Securities and Exchange Commission in financial reporting and information disclosure.

While one leak took place through faulty organization within Daimler-Benz group, the other may have entailed "criminal machinations," said Ursula Mertz-Stein, a spokeswoman for the German company.

"We see it as a great annoyance," she said. "It's made us angry because we try to do everything with precision." When asked about the premature disclosure of the figures at a press conference Wednesday, Edward Reuter, chief executive,

said, "We are trying to put an end to things like that, but apparently we are not able to stop them."

Two news agencies transmitted Daimler's half-year earnings 30 minutes before the release of the figures to other services.

Daimler said it earned 369 million Deutsche marks (\$233 million) in the first half, following a loss of 949 million DM last year.

The figures were higher than expected, and the reaction in the stock price was immediate. Within minutes, Daimler shares jumped. Daimler closed higher Wednesday, at 837.50 DM.

The German stock exchange, Deutsche Börse AG, said it had no legal way to punish listed companies for allowing leaks in their information policy.

## Loss at Truck Unit

Mercedes-Benz AG said Thursday it expected its commercial-vehicle division, the world's largest heavy-truck maker, to report a loss this year because of depressed markets but to return to profit in 1995, Reuters reported from Hannover, Germany.

Helmut Werner, the Mercedes management board chairman, said that commercial vehicle sales would rise around 7 percent to just under 28 billion DM this year.

Mercedes does not publish the results of its car or commercial vehicle divisions but indicates whether each is making money.

# Rolls-Royce Cost Cuts Aid Profit

Compiled by Our Staff From Dispatches  
LONDON — Rolls-Royce PLC said Thursday its first-half profit jumped 29 percent as the impact of restructuring offset a 14 percent drop in sales.

The British aircraft-engine maker earned £40 million (\$61 million) before taxes in the half, on revenue of £1.5 billion.

Sir Ralph Robins, the chairman of the company, said the profit increase showed restructuring paid off. The company cut 5,900 jobs over the year, taking the total staff to 43,000.

He said "extremely competitive conditions" seen by the company were not likely to ease before 1996. But he added, "We are in a good position to exploit the long-term growth potential of both aerospace and industrial power from an increasingly competitive cost base."

Although the results were within analysts' expectations, investors bid Rolls-Royce shares down to 179 pence from 189 pence Wednesday.

Aerospace engine sales for the half fell to £924 million from £1.08 billion a year ago, with industrial power sales slipping to £576 million from £674 million.

Rolls-Royce ranks alongside General Electric Co. and Pratt & Whitney of the United States as one of the big three jet engine makers. All have reported a depressed market as unprofitable airlines postpone aircraft orders.

Also on Thursday, Vickers PLC, which makes Rolls-Royce automobiles, said its first-half profit nearly doubled, to £15.9 million, despite flat sales of £329.5 million.

Vickers attributed the results to extensive restructuring the company started last year rather than market improvements. But it said the outlook was strong.

Sales at the Rolls-Royce Motor Cars Ltd. division were up 2.6 percent.

(Bloomberg, AFP, Reuters)

## Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
2300	3000	2200
2200	2800	2100
2100	2600	2000
2000	2400	1900
1900	2200	1800
1800	2000	1700
1700	1800	1600
1600	1600	1500
1500	1400	1400
1400	1200	1300
1300	1000	1200
1200	800	1100
1100	600	1000
1000	400	900
900	200	800
800	100	700
700	0	600
600		500
500		400
400		300
300		200
200		100
100		0
0		

Source: Reuters, AFP

## Very briefly:

• Olivetti SpA said first-half sales rose more than 7 percent and reaffirmed its forecast it would break even for the year; the company also said it did not plan a capital increase in the near future to fund its recently acquired cellular phone business.

• Gruner & Jahr AG said pretax profit rose 20 percent, to 534 million Deutsche marks (\$845 million), in the year ended in June. The subsidiary of Bertelsmann AG said sales rose 2 percent, to 3.85 billion DM, and said it would invest 700 million DM to launch periodicals in the United States, France and Poland.

• T&N PLC, a British maker of bearings and other industrial products, reported a 55 percent rise in first-half profit and said it was still in talks to acquire Metallgesellschaft AG's 47 percent stake in Kolbenschmidt AG.

• Waterford Wedgwood PLC said its first-half pretax profit surged to 5.1 million Irish pounds (\$8 million) from 400,000 pounds a year earlier. The maker of china, crystal and ceramics said sales rose 16 percent, to 44.9 million pounds.

• Independent Newspapers PLC said its Irish-based newspaper, advertising and other media operations all contributed to a 35 percent rise in operating profit and a 4 percent rise in pretax profit for the first half.

(AFP, Reuters, Bloomberg)

## CGM: Contrary to Popular Belief...

Continued from Page 11  
increasing demand and rising prices for a variety of industrial commodities. Beyond his interest in steel and liner board, Mr. Heebner said he prefers not to be specific about the commodities that he expects to rise — he does not want to tip his hand on which stocks he is buying.

Mr. Heebner, who has managed CGM Capital since 1976, considers himself an old-fashioned "earnings-driven" investor. "I would have to tell you that stocks respond to earnings the same way omelette they did 20 years ago," he said. Strong earnings send stock prices up, weak earnings send them down, he said.

What has changed, he acknowledged, is the speed with which electronic systems alert all of Wall Street to financial events. That, in turn, causes stock prices to respond to news much more quickly than before. Mr. Heebner was asked whether that had made his job as a money manager more difficult. "You're sort of raising the question: With all that expertise and all those smart people out there, is it hard to make money? You know something? I'm heavily invested in the steel industry. I was able to get into the steel industry I think at a time when no one was paying much attention. And all these brains and all this money hasn't really changed that," Mr. Heebner said.

## UBS Chief Sees Good 1995 Net

Bloomberg Business News

GENEVA — Robert Studer, Union Bank of Switzerland's chief executive, said Thursday that he expected a "very good" performance for the bank in 1995.

Mr. Studer also said he expected income from trading in the second half of 1994 to be higher than in the first half, when UBS posted a 68 percent decline in that category, to 493 million Swiss francs (\$371 million).

"We have good reason to believe that trading income will be better than in the first half," Mr. Studer said.

## Bond Fall Hits Sandoz Profit

Compiled by Our Staff From Dispatches

BASEL — Sandoz AG said Thursday that losses on investments limited a rise in first-half net profit to 2 percent, which was below analysts' expectations and caused some to revise down their predictions for the drug company's full-year performance.

Sandoz earned a net 1.01 billion Swiss francs (\$760 million) in the half, up from 998 million francs in the first six months of 1993. First-half sales rose to 8.22 billion francs from 8.03 billion francs.

The company posted a first-half loss of 90 million francs on its investments, compared with a profit of 79 million francs in the first half of 1993, because of a rise in long-term interest rates in major bond markets. About 90 percent of Sandoz's investment portfolio is in fixed-income securities. On Wednesday, Sandoz's competitor Ciba-Geigy AG said its investment income fell to \$2 million francs in the first half from 90 million francs a year earlier.

While Sandoz said it was "confident" its full-year net income would reach last year's result of 1.71 billion francs, some analysts said they had expected stronger full-year results before Thursday's disappointing results. "The outlook for the future is not as good as was previously assumed," said Birgit Kullhoff, who follows the company at Union Bank of Switzerland.

(Bloomberg, AFP)

## Ladbroke Seeking Casinos

Bloomberg Business News

LONDON — Ladbroke Group PLC announced a drop in first-half profit Thursday and said it planned to return to the casino business, from which it was barred almost 15 years ago.

The company, which has hotel and retail interests in addition to the soccer pools and betting and gaming centers for which it is best-known, said pretax profit fell to \$57.5 million (\$91 million) in the six months from \$62.5 million a year earlier.

— Maria Ainsworth of Nomura Research Institute in London said the result was in line with expectations. Ladbroke also said it planned to buy three London casinos — Maxims, Chesters and the Golden Horseshoe — from TJH Group Ltd. for £50 million. To do so, it will have to persuade the Gaming Board to allow it to operate the casinos. Ladbroke closed its last British casino in 1980 after a court ruled that the company then was not a "fit-and-proper" casino operator.

Peter George, chief executive officer, called the proposed casino purchases the first "significant" step in Ladbroke's strategy of "building a broadly based international business in regulated gaming alongside its existing betting interests."

## Cellular Boosts Telefonica Net

Bloomberg Business News

MADRID — Telefonica de España SA said Thursday its first-half net profit rose 5 percent from a year ago as demand for telephone services grew 18 percent.

The company said a 69 percent rise in cellular phone subscribers offset declines in data transmission services.

Profit totaled 52.05 billion pesetas (\$396 million), up from 49.69 billion pesetas last year. Sales rose 7 percent, to 672.215 billion pesetas.

## DEFENSE: Lockheed Martin Puts Europe on Alert

Continued from Page 11

try. Germany has been pressing for the creation of so-called Eurofirms in the defense sector, jointly owned by several countries but run by an independent management team. This form of cooperation has worked for Eurocopter Holding SA, a French-German joint venture, and for the Airbus Industrie, the plane consortium, but often runs up against European companies' insistence on absolute parity in any venture, largely out of national pride.

Conspicuous exceptions include Lord Weinstock, head of General Electric Co. of Britain

and Matra's Jean-Luc Lagardere — both heads of private companies who seem to feel answerable only to their stockholders and thus have been willing to relinquish some operational control in promising international ventures.

The merger of Lockheed and Martin Marietta involved teamwork between their respective chairmen, Daniel M. Tellep and Norman R. Augustine. Veterans of corporate takeover wars, both men are viewed as "super geotlemen" and industrial statesmen, who are able to cro-

ss a company that will account for nearly 20 percent of the Pentagon's contracts.

More than just its size makes the deal unusual, said Jerrold T. Lundquist, head of the aerospace practice at McKinsey & Co., giving the range of weapons produced by the two companies, with little overlap that would suggest economic pressures behind the accord.

"What is truly unprecedented is that this is a merger between two leaders, between two companies certain to be survivors in any foreseeable shake-out," Mr. Lundquist said.

In contrast, most leading European manufacturers want leadership that they are too small to conquer.

### NYSE Thursday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock	Div	Yld	PE	100s	High	Low	Latest	Change
1	2.9	1.8	12.5	100	100	100	100	0
2	2.8	1.7	12.5	100	100	100	100	0
3	2.7	1.6	12.5	100	100	100	100	0
4	2.6	1.5	12.5	100	100	100	100	0
5	2.5	1.4	12.5	100	100	100	100	0
6	2.4	1.3	12.5	100	100	100	100	0
7	2.3	1.2	12.5	100	100	100	100	0
8	2.2	1.1	12.5	100	100	100	100	0
9	2.1	1.0	12.5	100	100	100	100	0
10	2.0	0.9	12.5	100	100	100	100	0
11	1.9	0.8	12.5	100	100	100	100	0
12	1.8	0.7	12.5	100	100	100	100	0
13	1.7	0.6	12.5	100	100	100	100	0
14	1.6	0.5	12.5	100	100	100	100	0
15	1.5	0.4	12.5	100	100	100	100	0
16	1.4	0.3	12.5	100	100	100	100	0
17	1.3	0.2	12.5	100	100	100	100	0
18	1.2	0.1	12.5	100	100	100	100	0
19	1.1	0.0	12.5	100	100	100	100	0
20	1.0	0.0	12.5	100	100	100	100	0
21	0.9	0.0	12.5	100	100	100	100	0
22	0.8	0.0	12.5	100	100	100	100	0
23	0.7	0.0	12.5	100	100	100	100	0
24	0.6	0.0	12.5	100	100	100	100	0
25	0.5	0.0	12.5	100	100	100	100	0
26	0.4	0.0	12.5	100	100	100	100	0
27	0.3	0.0	12.5	100	100	100	100	0
28	0.2	0.0	12.5	100	100	100	100	0
29	0.1	0.0	12.5	100	100	100	100	0
30	0.0	0.0	12.5	100	100	100	100	0

12 Month High Low Stock	Div	Yld	PE	100s	High	Low	Latest	Change
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5	2.5	1.4	12.5	100	100	100	100	0
6	2.4	1.3	12.5	100	100	100	100	0
7	2.3	1.2	12.5	100	100	100	100	0
8	2.2	1.1	12.5	100	100	100	100	0
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20	1.0	0.0	12.5	100	100	100	100	0
21	0.9	0.0	12.5	100	100	100	100	0
22	0.8	0.0	12.5	100	100	100	100	0
23	0.7	0.0	12.5	100	100	100	100	0
24	0.6	0.0	12.5	100	100	100	100	0
25	0.5	0.0	12.5	100	100	100	100	0
26	0.4	0.0	12.5	100	100	100	100	0
27	0.3	0.0	12.5	100	100	100	100	0
28	0.2	0.0	12.5	100	100	100	100	0
29	0.1	0.0	12.5	100	100	100	100	0
30	0.0	0.0	12.5	100	100	100	100	0

12 Month High Low Stock	Div</
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## Herald INTERNATIONAL TRIBUNE



The Great American



## SPONSORED SECTION

# KANSAI: Linkup to the World

## NEW INVESTMENTS TRANSFORM REGION

Around 22,000 new jobs have been created.

Kansai, the western part of Japan encompassing the cities of Osaka, Kobe and Kyoto, is experiencing tremendous regional development in the form of projects that are transforming the area's cultural, economic and physical landscape.

The new Kansai International Airport is foremost among more than 600 development projects in western Japan that amount to a total of 40 trillion yen (\$400 billion). The airport, estimated to have cost 1.5 trillion yen, is creating 22,000 jobs in the area.

### Engineering feat

The airport's official opening on Sept. 4 marks the achievement of a major architectural and engineering feat. Planning for the airport began 10 years ago, and construction of a man-made island to house it started in 1987. The facility is located in Osaka Bay, south of the city of Osaka.

With over 300 weekly international and 60 daily domestic flights projected, the new 24-hour airport replaces Itami, Osaka International Airport (located between

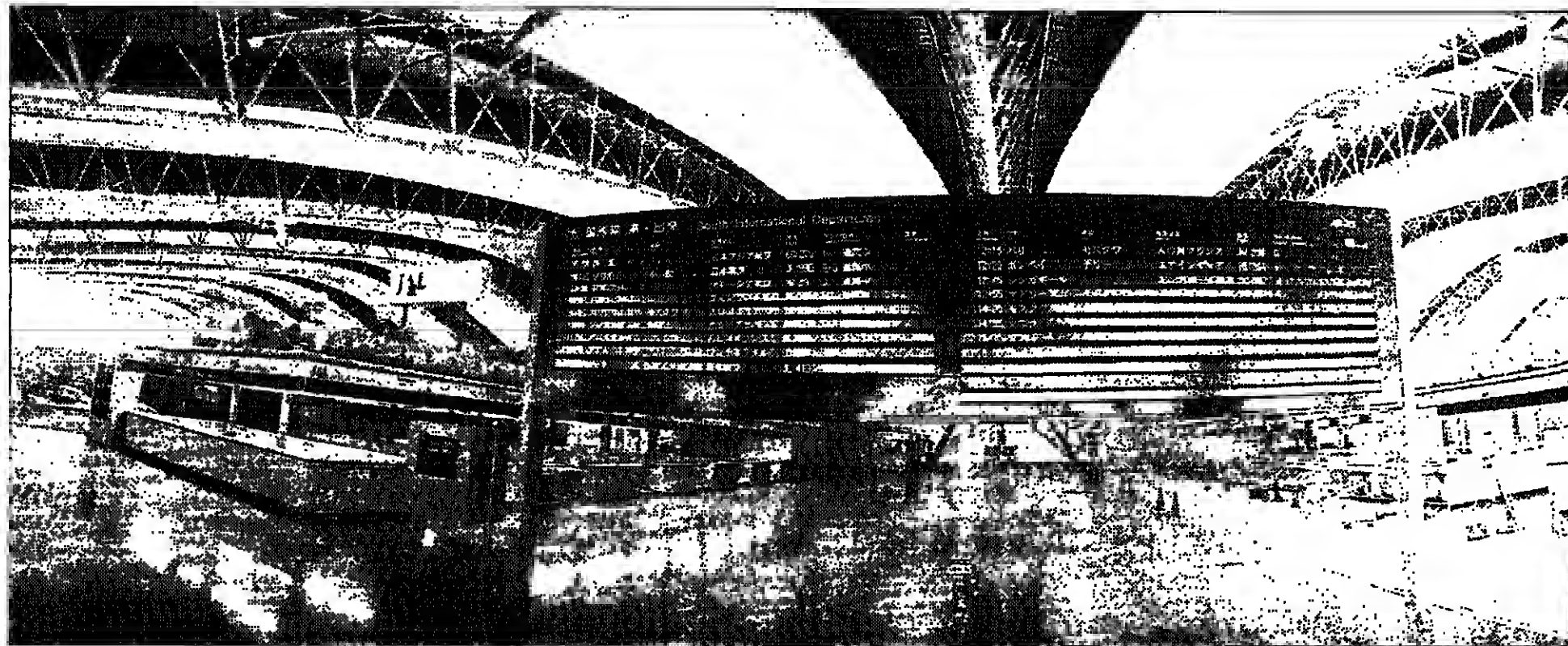
Osaka and Kobe), which will now handle domestic flights only.

A total of 44 countries have negotiated landing rights with Japan's Ministry of Transportation. Those opening routes to Japan for the first time are Brunei, Ethiopia, Hungary, Jordan, Mexico, Mongolia, Burma, Nepal, Poland, South Africa and Vietnam.

The new airport's 3,500-meter runway is capable of handling 160,000 takeoffs and landings a year, while the passenger terminal building can accommodate 31 million passengers annually. Plans are emerging for second and third runways.

### Bridge to mainland

The airport is linked to the mainland by a 3.75-kilometer bridge, and passengers can travel to the airport by a variety of train, bus and boat services. The passenger terminal was designed by Italian architect Lorenzo Piano and the Aeroports de Paris, and is shaped like a plane or a bird spreading its wings. With almost 30 hectares of total floor space, the passenger terminal is one of the



most open and spacious complexes of its kind. Its north and south terminals are 1.66 kilometers long.

The airport facility includes an automated guideway transit system — Wing Shuttle — and a shopping and dining area on the second and third floors. Passengers on international flights arrive in the airport on the first floor, and international departures leave through the fourth floor. The second floor serves passengers on domestic flights.

For tourists and businesspeople, traveling through the new Kansai International Airport means easier access to a region of great commercial and cultural significance.

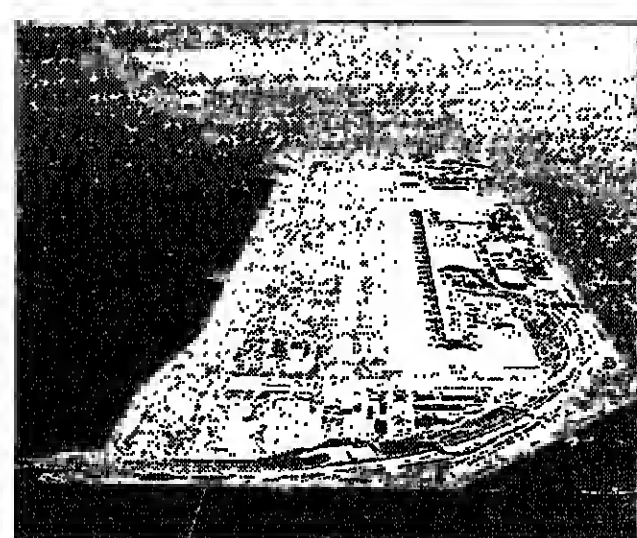
The Kansai economy's gross regional product totaled close to \$700 billion in 1993. The region supports 21 million people, roughly 17 percent of Japan's total population, and many of the country's top chemical, food, machinery, pharmaceutical, textile and trading companies. The area is particularly proud of being host to some of Japan's biggest and most high-tech companies, such as Matsushita (Panasonic), Sanyo Electric, Sharp, Kyocera and Nintendo.

### Historical treasures

The area is also rich in historical treasures. Kyoto, north of Osaka, was the capital of Japan from 794 to 1868, and this year marks the 1,200th anniversary of its founding. Japan's first capital, Nara, is near Osaka and offers many fine wooden temples and cultural treasures. Kobe, west of Osaka, continues to thrive as one of Japan's leading ports. Recently, urban developments in Kobe have added to the city's cosmopolitan character



The airport's open-plan terminal (top) is passenger-friendly; Osaka Business Park forms a contemporary background for one of the city's historic attractions, Osaka-jo castle (left); the airport is located on a man-made island (right).



couraging the development of human networks as well as physical infrastructure to support the region's internationalization. Results are evident everywhere.

"Several years ago," says Charles Besford, general manager of the leading hotel, The Westin Osaka, "when the Westin group chose Osaka as the site of its first hotel in Japan, planners cited many reasons for their decision, chief of which was the opening of the new airport, Japan's first 24-hour airport."

Foreign countries and organizations have responded by opening consulates and commercial offices in Osaka and sending numerous missions to the area. More and more international businesses are considering Kansai as a point of entry into Japan and a place to establish long-term commitments.

Janet Purdy Levaux

## USEFUL ADDRESSES

<b>Osaka Prefectural Government</b> Bureau of Public Enterprise Osaka-shi, Chuo-ku Tel: (06) 945-1739 Fax: (06) 944-6853	<b>Kansai Economic Federation (Kankai)</b> 6-2-27, Nakagoshima, Kita-ku Osaka Tel: (06) 441-0104 Fax: (06) 443-5347
<b>City of Osaka</b> International Relations Department 1-3-20, Nakagoshima, Kita-ku Osaka Tel: (06) 208-7249 Fax: (06) 227-9871	<b>Osaka Chamber of Commerce and Industry</b> 2-8, Hommachi-bashi, Chuo-ku Osaka Tel: (06) 944-6425 Fax: (06) 944-6250
<b>City of Kobe</b> International Division 6-1-5, Kato-cho, Kato-ku Kobe Tel: (078) 322-5010 Fax: (078) 322-2382	<b>Japan External Trade Organization, Osaka</b> 2-1-8, Bingu-machi, Chuo-ku Osaka Tel: (06) 203-3601 Fax: (06) 222-5675/232-0696
<b>City of Kyoto</b> International Relations Office 488 Kamihonjima-cho, Teramachidori, Oike Agari Nakagyo-ku Kyoto Tel: (075) 222-3072	<b>Kansai International Airport Telephone Center</b> Tel: (0734) 55-2500  <b>Japan Travel Phone</b> Toll-free telephone service Tel: (0120) 444-800

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WRITERS: Eric Johnston is based in Osaka. Janet Purdy Levaux is based in Osaka and California.  
SECTION EDITOR: Emily Emerson. PROGRAM DIRECTOR: William Mahler.

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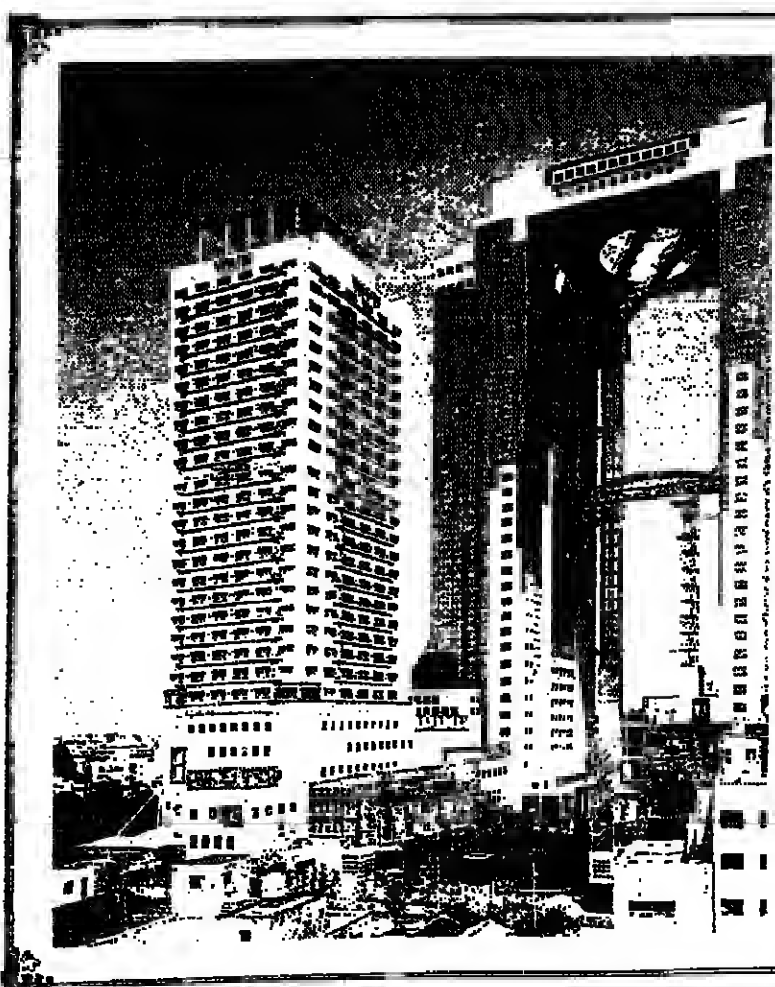
Osaka has just gotten closer to international cities with the opening of the Kansai International Airport (KIX). That means The Westin Osaka is also a lot easier to get to. In a city justly proud of its world-class hospitality, The Westin Osaka's excellence stands out.

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The Westin Tokyo opens October 14.





## K A N S A I

## A WELCOMING HOME FOR EXPATS

More than 700 foreign companies operate in Kansai.

For visiting executives and their families, the Kansai area offers many international schools, residences, and professional and social organizations that help make living in Japan a fruitful and pleasant experience.

More than 700 foreign companies call Kansai home, together with numerous offices of foreign governments and trade organizations. A total of 200,000 non-Japanese live in Kansai. Nestlé S.A., Bayer AG, CIBA-GEIGY, Caterpillar Inc. and Eli Lilly are among the large firms operating in western Japan.

"Foreign businesses are doing well in western Japan," says Masaki Kaida of Meiko Securities, adding that most small and large foreign enterprises in Kansai are profitable.

#### Rokko Island

Kobe's Rokko Island is one hub of the international community in Kansai. The Asian headquarters of Procter & Gamble, the local chapter of the American Chamber of Commerce in Japan, the Foreign Buyers' Club, the Canadian Academy and many new high-rise apartment complexes are located there.

The Osaka International School is in northern Osaka near Senri. Other schools with courses in English as well as several different European and Asiatic languages operate in various parts of Kansai. In the areas between Osaka and Kobe, many Western-style residences are offered for rent or purchase. In many parts of Kansai, apartments catering to the needs of foreigners and Japanese who have lived abroad are increasing in number.

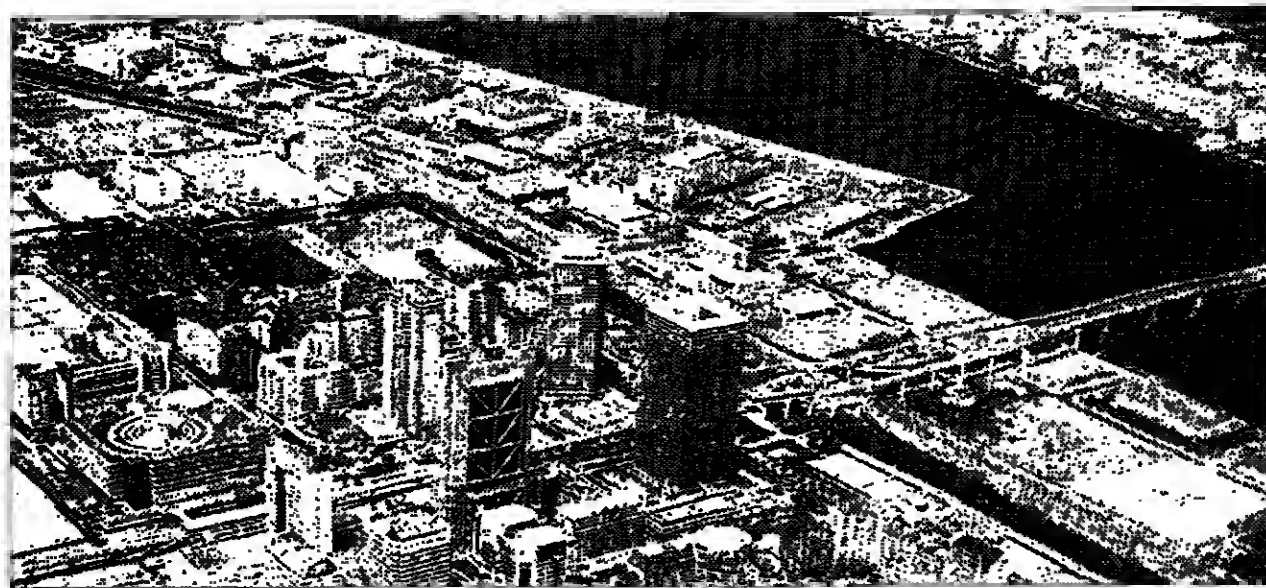
Many visiting executives and their families find Kansai's numerous parks, recreational districts and historic sights simple to reach and a welcome relief from Japan's crowds—a benefit generally

unavailable to Tokyo residents.

#### Foreign community

Professional and social organizations support members of the foreign community by putting them in touch with needed contacts, information and resources. The Osaka Chamber of Commerce and Industry hosts an international forum on a regular basis, publishes an English-language magazine about developments in the area and organizes the Global Business Opportunities Convention each October. "Osaka's Chamber of Commerce is very positive in coming up with new ways to make the area an attractive place to do business," says Ira Kasoff, the principal commercial officer of the American Consulate General Osaka-Kobe. The 721 non-Japanese participants at last year's Global Business Opportunities Convention came from 50 countries. More than 4,600 business forums were held during the year to introduce overseas businesses to potential Japanese partners.

**Government offices**  
The Japan External Trade Organization, Osaka, and other offices supply data and import-related information to interested parties. Two new public centers, one at the Asia and Pacific Trade Center in western Osaka and another near Kobe Port, should further facilitate imports. The prefectural and municipal governments of the greater Kansai region, known as "Kinki," recently opened the Subaru Corner office in Osaka as part of their efforts to increase regional collaboration on the provision of information to investors. Foreigners, in cooperation with local residents, have organized groups active in the areas of architecture and engineering, cultural exchange, international business and professional development. J.P.L.



Many international corporations have offices in Kobe's Rokko Island City, with its high-rise apartment complexes and various amenities.

## REGION HOSTING MAJOR CONVENTIONS

New air links will boost visitor numbers even further, and additional facilities are planned.

Around 1,500 international conventions were held in Japan in 1993, and 40 percent of these were in the Kansai cities of Osaka, Kyoto and Kobe. The opening of Kansai's new airport is expected to attract even more international conferences and trade fairs to the region.

#### Airport opening

The opening of the Kansai International Airport will certainly lead to an increase in the number of conventions held in the area by providing links with more international and domestic destinations. JAL will begin new services from the airport to Los Angeles, London, Paris, Denpasar, Brisbane and Auckland, and will continue to offer flights to Hong Kong, Seoul, Pusan, Guam, Beijing, Shanghai, Bangkok, Singapore, Taipei, Jakarta (via Denpasar), Sydney (via Brisbane or Cairns), Auckland, Los Angeles, Honolulu, London and Paris. The airline will offer new daily flights to Singapore, Bangkok, Sydney and Guam in addition to its current daily flights to Hong Kong, Seoul and Pusan, thus helping to make the airport a true "gateway to Asia." JAL passengers traveling in first or business class will be provided with special services at the new airport, such as the Sakura Lounge for those traveling first class and the Executive Lounge for those traveling business class. JAL also plans to open a special lounge for families.

#### Trade fairs thriving

INTEX Osaka already provides excellent services for trade fairs. INTEX Osaka has the largest exhibition area of any facility in Japan (70,000 square meters) and is home to some of the largest trade fairs in Asia, including the International Textile Machinery Show, which attracts almost a quarter of a million visitors from around 25 countries. Other events scheduled here are the International Machine Tool Fair and New Earth, a global environment technology show.

#### Hotel services

The recent or planned opening of several new hotels in and around Osaka will help provide top-quality accommodations for convention-goers. Westin Osaka is leading the way in this effort. The Westin is part of Shin Umeda City, a state-of-the-art urban renewal project that contains the futuristic

Umeda Sky Building, whose tall towers are connected at the top by a garden terrace that has the city's most spectacular view. The Westin Osaka is ideally located and is easily accessible to Osaka's train station by regular timousine bus service (three per hour). The Westin Osaka offers personalized business services and unique facilities such as a special Child Care Room staffed by highly trained professionals.

#### Waterfront and aquarium

Along Osaka Bay in the southern part of the city, other projects have recently been completed that should add to the city's appeal for convention-goers. One of these is the Tempozan Aquarium, which offers visitors a chance to see around 35,000 aquatic creatures from 380 species, from the tiniest fish to a huge whale shark. The aquarium, which has already attracted almost 17 million visitors since its 1990 opening, is conveniently located near central Osaka. Tempozan Harbor Village, as the surrounding area is known, includes restaurants serving a variety of international cuisines, as well as many exciting shops.

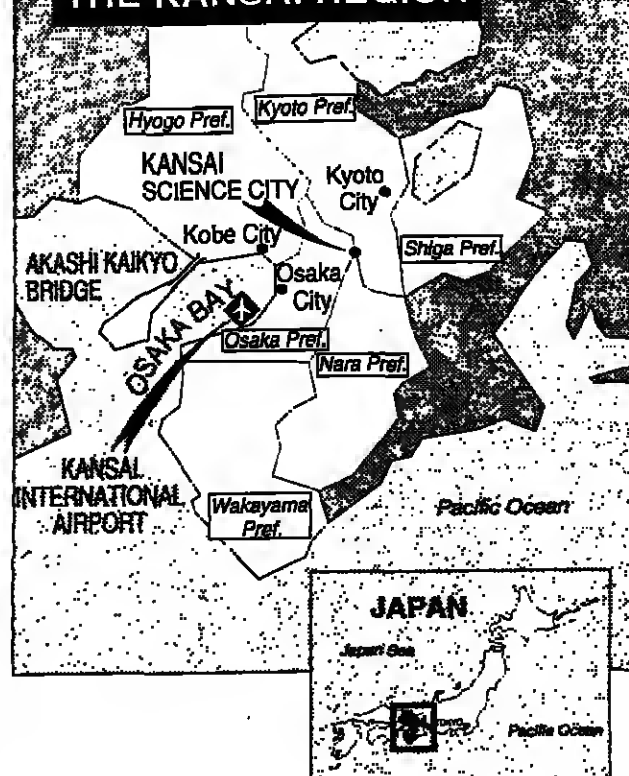
#### New conference hall in Kyoto

The ancient capital of Kyoto also provides excellent convention facilities, such as the Kyoto International Conference Hall, with a total floor area of 33,400 square meters, the city's newest conference center. Designed by University of Tokyo professor emeritus Sachio Otani, the building is a blend of old and new: the steep roof is in the traditional Japanese style, while the main building is very contemporary. The center includes 100 conference halls, from small meeting rooms to a large conference room that can accommodate up to 2,000 people. Simultaneous translation of eight languages is only one special service the center offers. This year, as part of the celebration of the 1200th anniversary of the founding of Kyoto, the Meeting of the Plenipotentiaries of the International Telecommunications Union (ITU) will be held here in Sept.-Oct.

#### Rokko Island project

Another of Kansai's planned new convention facilities will be located on Rokko Island, an ambitious project begun in 1985 and being developed by Planners International, a Kobe-based company that specializes in developing urban infrastructures. The 580-hectare man-made island is already home to some 14,000 people. The Rokko Island project is now entering its final construction phase and will include an international business complex in a 4.4-hectare business and commercial zone called Business Park. E.J.

## THE KANSAI REGION



## TRADE CENTERS SET TO BOOST REGION'S OVERSEAS LINKS

Foreign partners have more opportunities.

The construction of several new trade centers promises to boost business ties and dramatically expand the Kansai region's imports, which rose from \$50.3 billion in 1992 to \$52.8 billion in 1993, according to the Kansai Economic Federation, or Kankeiren.

With a gross regional product of roughly \$700 billion and total trade of \$130 billion in 1993, the economy of Kansai already rivals that of Canada in size and surpasses those of Hong Kong, Singapore, South Korea and Taiwan combined.

#### Osaka leads the way

Many of Japan's leading trading companies, such as C. Itoh & Co., are based in Osaka. "Osaka wants to take the leadership in opening the Japanese economy to foreign countries and companies," says a local business leader.

Rinku Town, an extensive commercial and business zone linked to the airport via a 3.75-kilometer bridge, is being developed by Osaka Prefecture. Its goal is to integrate foreign businesses into the Kansai economy. The local communities of Izumisano City, Sennan City and Tajiri-cho have collaborated in the development of several beaches located directly across from the airport. The white sandy areas give Rinku Town and the new airport an added dimension as a unique waterfront development.

With striking red, white and blue exteriors and interiors, the Asia and Pacific Trade Center opened in April of this year. The ultra-modern business center is roughly 30 minutes away from the new airport, west of downtown Osaka. It serves as a wholesale center and comes complete with marketing, distribution, exhibi-

tion and retail facilities for importers of products such as clothing, jewelry and gems, and sports equipment. Featuring the International Trade Mart, the center has been designated a foreign access zone. Over 100 foreign companies are involved in the project, which has the capacity to support more than 400 tenants.

The government-sponsored Integrated Import Promotion Center is located in the Asia and Pacific Trade Center. With a shop and events space, the center is managed by the Japan External Trade Organization. Hopes are especially high for the center considering the large growth in Kansai's trade with Asia and the region's proximity to the various Asia-Pacific nations.

Asia trade is going strong. Asia accounts for 45.1 percent of Kansai's imports, compared with 33.7 percent of Japan's total imports. Likewise, 49.8 percent of Kansai's exports go to Asia, in comparison with only 37.2 percent of the country's exports. Near the Asia and Pacific Trade Center is the 55-story Cosmo tower, which includes Osaka's World Trade Center, set for completion in December 1994. The World Trade Center will be a subsidiary of the World Trade Center Association and will be capable of extending support services and information to domestic and international businesses interested in expanding their global ties.

"If local businesspeople go to these new trade centers, they have access to products and can communicate with foreign suppliers," says Masaki Kaida, director of Meiko Securities and formerly with Sumitomo Bank's corporate business department in Osaka. J.P.L.

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# OVERSEAS INVESTORS OFFERED EASY WAY INTO JAPAN

**Most people think of Tokyo when they think of Japan, but many Japanese and non-Japanese alike will argue that the heart of Japan is actually the six prefectures and three major urban centers (Osaka, Kyoto and Kobe) that make up the Kansai region.**

Many tourists are familiar with Kyoto, Japan's ancient capital and home of traditional Japanese culture. Kobe, a port city nestled between the sea and the mountains, is widely recognized for its role as Japan's busiest port. Kansai's nerve center, however, is the city of Osaka. Of the 20 million people living in Kansai, 9 million live in the greater Osaka area.

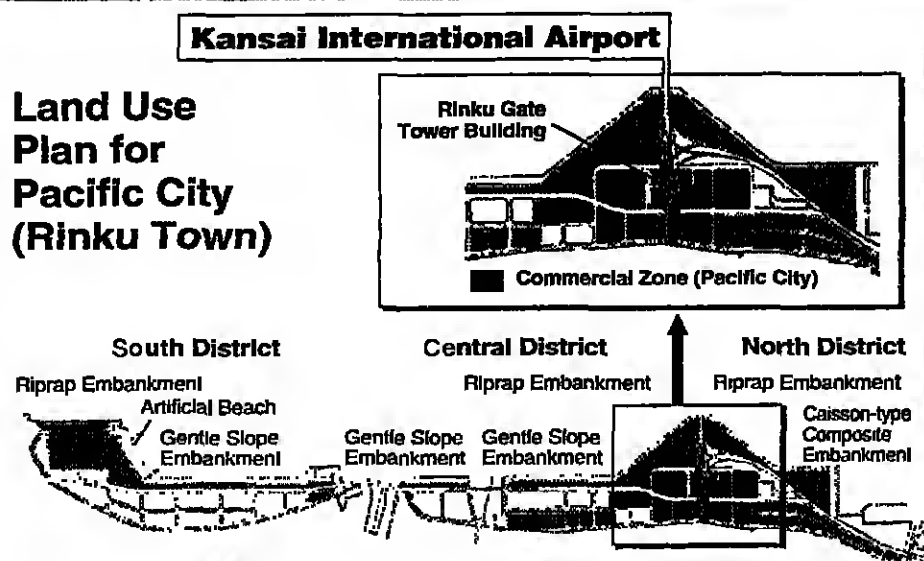
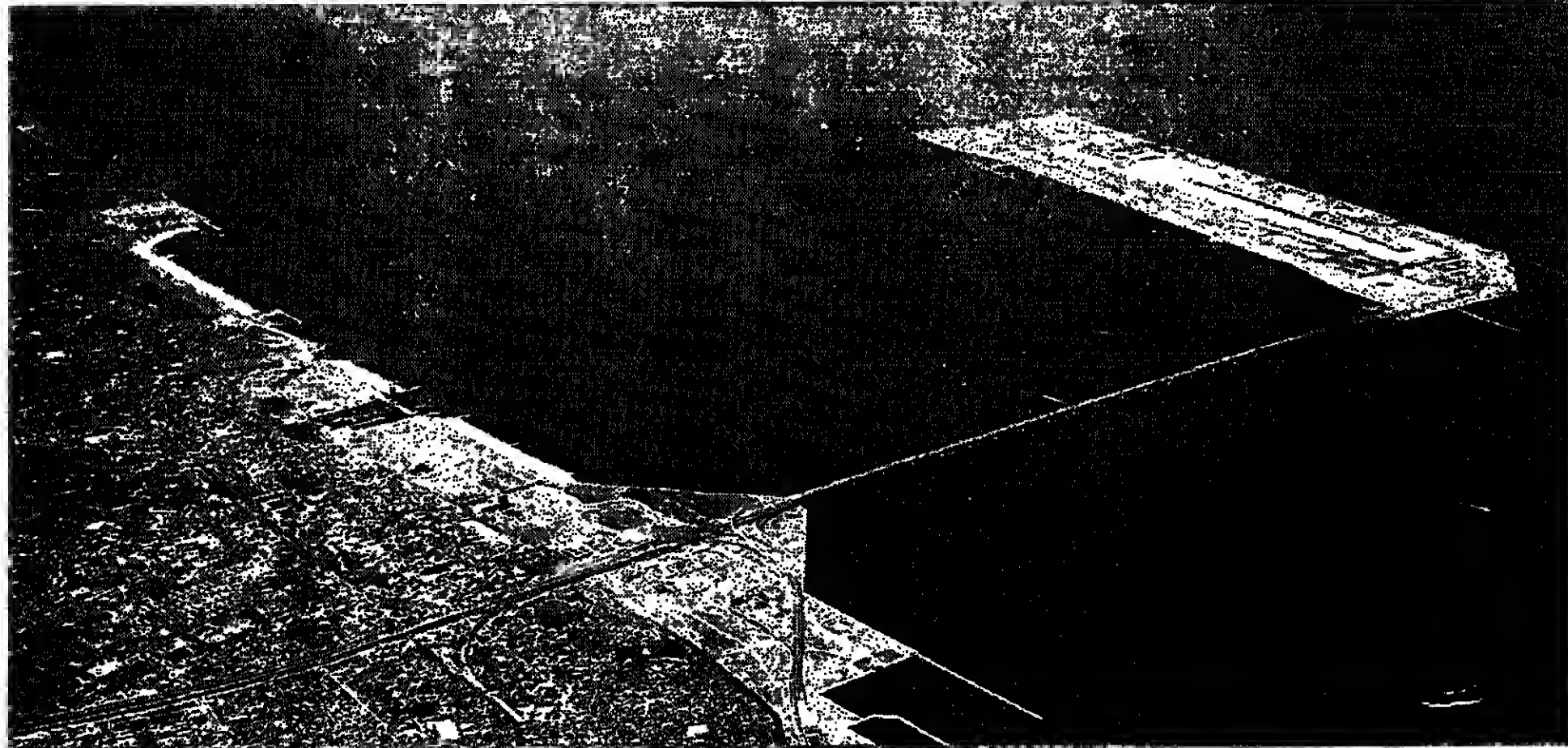
The Kansai region's gross domestic product totaled approximately \$500 billion in 1991, or 17 percent of Japan's total GDP. This represents 2.3 percent of the global economy, equal to the GDP of Canada.

Around 300 foreign-affiliated companies are now located in the Kansai area, along with a number of prominent Japanese companies. Despite the current recession, Kansai's economic growth is continuing at a steady pace. The opening of the Kansai International Airport — the world's first airport built on a man-made island — is expected to usher in a new era for both Kansai residents and the nation, attracting new business investment from all over the world.

Yet the airport is only one of several projects being undertaken by local business and the Osaka Prefectural Government. Another is Pacific City, the commercial zone of the development known as Rinku Town, located immediately across the bay from the new airport. Pacific City will complement the airport by offering an ultramodern base of operations for international businesses looking to expand in Japan and the rest of the Asia-Pacific region.

Located just five minutes from the airport terminal building, this new city offers convenient access to the airport and the surrounding region and is expected to play an important part in the development of both. The original idea for Rinku Town dates back to 1978, when the local government chose a site across the bay from the proposed airport as a location for a new development project. In 1983, environmental impact studies began, and three years later the South Osaka Development Project Plan was announced. Land reclamation began the following year, and the proposed development became known as Rinku Town.

According to Tomizoh Imahori, director general of the Bureau of Public Enterprise, Osaka Prefectural Government, Rinku Town's primary advantage lies in its accessibility to the airport, to downtown Osaka and to other urban centers in the region. Located within sight of the airport's runway, Rinku Town will be only five minutes away, over the new airport bridge. Two train lines (Nankai and Japan Railways) will service Rinku Town, and travel time to Osaka's Namba Station



consideration first when they start anew in foreign lands," he says.

In order to attract foreign firms, Rinku Town officials recently unveiled a plan to promote the area. The plan includes promotion, business support, investment incentives and city planning. The promotion section contacts foreign companies overseas and invites them to participate in seminars and conventions in their own country. The business-support section is involved in the Pacific City Business Promotion Center. In the investment-incentives section, advice on utilizing the Japan Development Bank to finance and support one's business is offered. Perhaps the boldest part of the plan is the city-planning section, which will be concerned with the needs of expatriates concerning housing, schools, medical care, working environment, leisure and sports, shopping and other facilities.

One addition to the PAPARA area currently under discussion is a facility that is being touted as a "fantasy museum." Last April, the Senshu Development Corporation announced that it would establish a special art museum which would display, on permanent exhibition, approximately 200 works by such artists as Salvador Dali and Edvard Munch. Senshu also announced that it would be developing foreign hotels and an amusement complex within the area. The Osaka Prefectural Government is selling the area in lots and began accepting bids last month. The government has said it will accept applications until March 1995, so that construction can begin in 1996 for completion in 1999.

Pacific City's Foreign Access Zone has been set up by the Japanese government and includes facilities, businesses and activities designed to expedite import procedures. In March of last year, a special cargo-handling facility was opened in Rinku Town. Two other facilities will be constructed to handle imported goods. The first is an international logistics center that will support air cargo handling at Kansai International Airport; the second is a special jewelry market for jewelry wholesalers and retailers.

The other facility expected to play a large part in Rinku Town's future is the Rinku Gate Tower Building. When completed in the autumn of 1996, it will be the tallest building in western Japan, with a height of 255 meters. This building will be a virtual city within a city. Within its confines will be a high-rise hotel, restaurants, "intelligent" offices, business facilities, an international conference center, banquet halls and a fitness center.

"This will be an intelligent building," says Toshio Kazahaya, president of the Rinku Gate Tower Building Co. Ltd. "It will involve the latest technology, designed for maximum tenant comfort," he adds.

Conference halls are to be integrated with the hotel facilities and feature a high-level security system and simultaneous interpretation facilities. An information center for Pacific City companies, to be operated by the Osaka Prefectural Rinku Center Foundation, will be available, while a business "incubator" facility, especially designed for those foreign companies preparing to enter the Japanese market, will offer secretarial, interpretation, translation and other services.

The hotel will be managed by ANA Enterprises, and will offer 360 guest rooms ranging from single rooms to suites, restaurants serving a variety of cuisines, and special facilities including a full range of wedding services.

The Kansai International Airport will no doubt bring the world closer to the Kansai region and vice versa, but it will be the combination of Pacific City and the new airport that may have the greatest impact on the economy of the Kansai region.

Eric Johnston

## OPPORTUNITIES FOR INVESTORS IN PACIFIC CITY (RINKU TOWN)

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• Slightly smaller firms are encouraged to rent a floor of the luxuriously appointed Rinku Gate Tower Building.

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For further information, contact these offices of International Business Organization of Osaka, Inc.

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Tel.: (81) 6 949 1233  
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### TIME AVAILABLE "ON LOCATION" DURING A ONE-DAY BUSINESS TRIP\*

TO	Pacific City	Tokyo	Hong Kong	Singapore
Tokyo	12	N.A.	5.5	1
Seoul	10	5	5.5	1
Beijing	9	4	6.5	1
Taipei	8	5	11.5	5
Shanghai	8	3	8.5	3
Hong Kong	7	3	N.A.	6
Jakarta	2	—	5.5	11
Kuala Lumpur	1	—	5.5	12
Singapore	1	—	5.5	N.A.
Bangkok	—	—	6.5	8

Cities accessible for a one-day trip

\*Based on leaving the city at 7 A.M. and returning at 11 P.M. Minimum stay "on location" assumed to be 7 hours. Time in hours.

(Nankai) and Tennoji Station (JR) will be less than 40 minutes. Travel time to Kyoto station will be approximately 75 minutes, while those going to the port city of Kobe will have a choice of traveling by hydrofoil across the bay (30 minutes) or going by car (about one hour).

Another advantage of Rinku Town is that it will contain many of the amenities of a true city, including a commercial zone (Pacific City), a residential area, amusement facilities and even a beach. Officials hope that Rinku Town will draw both foreign and Japanese companies out of the overcrowded and overpriced areas of downtown Osaka into a more futuristic and environmentally friendly atmosphere.

For those looking to establish their businesses in Japan or elsewhere in Asia, Pacific City offers the ideal setting for a branch office. The Kansai International Airport is expected to be Japan's gateway to Asia, with direct flights to all major East and Southeast Asian metropolitan areas, making one-day trips from Kansai to many cities a possibility (see box).

Companies based in Pacific City will find that they can distribute their goods and services throughout Japan much more quickly than from Narita airport in Tokyo, Japan's other major international airport. Kansai airport will offer many domestic as well as international flights; given the very limited number of domestic flights from Narita, a two-hour transfer by car to Haneda, the domestic airport, is often required. International travelers whose final destination is Sapporo on the northern island of Hokkaido, for example, will actually arrive there in less time if they travel via Kansai International Airport, despite the fact that Sapporo is closer to the Tokyo region than to Kansai.

For small and large corporations, especially trading companies, Pacific City offers special cost benefits. The cost of living in the Kansai area is already between 30 percent to 50 percent cheaper than the cost of living in the Tokyo area, and rents in Rinku Town will be even cheaper than Osaka's. "We envision Rinku Town as a place where foreign businesses can spread their wings to Japan as well as to the rest of Asia," says Daisetsu Kobori, president of Osaka Prefectural Rinku Center Foundation, which is overseeing the Rinku Town project.

Rinku Town is being constructed in several stages. Facilities scheduled for completion when the airport opens include an area for preparing the airlines' in-flight meals and an emergency medical facility. The Kansai Sky Catering building for in-flight meals is now making preparations for the first flights from the new airport. Once the airport opens, up to 10,000 in-flight meals per day will be prepared at the center. The medical complex is known as the Osaka Prefectural Senshu Emergency Center, and was completed at the end of August. Construction has begun on Izumi Municipal hospital, a full-scale general hospital with 348 beds in two nine-story buildings and one four-story building.

The Rinku Pacific Paradise, or PAPARA, zone of the development will include the Doors & Doors (D & D) shopping center. Divided into four areas, including a restaurant zone, a retail merchandise zone, an imported goods zone and a factory outlet zone, this 6,700-square-meter shopping center complex will include 35 shops. The restaurant zone will offer a range of international cuisine, from crepes to curries, available in either restaurants or fast-food outlets. The retail merchandise zone will feature apparel as well as lifestyle goods and accessories, while the imported goods store will handle sundries imported from such countries as China and Australia.

Australian companies in particular have set about establishing a presence in Pacific City. In April of this year, Aussie World Inc. was established by three Australian companies to promote the sale of Australian products in the D & D complex. They are the first foreign companies to officially announce their plans to participate in the PAPARA zone.

Peter Lagerlow, managing director of Lagerlow Pty. Ltd. of New South Wales, was appointed CEO and chairman of Aussie World. Established with a capital base of roughly 10 million yen (\$100,000), Aussie World will lease approximately 290 square meters in D & D to sell a variety of foodstuffs, jewelry, apparel, leather goods and other products from Australia.

Adjacent to the D & D complex is Rinku Park, an amusement park containing rides, restaurants and outdoor food stalls, and a 1.9-hectare events space that can accommodate approximately 10,000 people. The Osaka Prefectural Rinku Center Foundation hopes to begin scheduling events for this space in the near future.

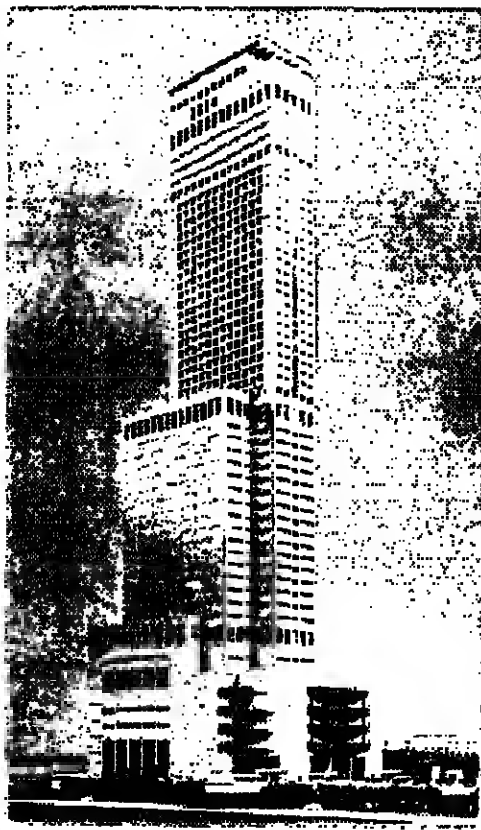
The heart of Rinku Town will be the Pacific City Business Promotion Center, to be relocated to the Gate Tower Building when it is completed. This center was created to serve as a starting point for those foreign firms wishing to do business in Pacific City, Japan and the Asia-Pacific region.

Also managed by the Osaka Prefectural Rinku Center Foundation, the Business Promotion Center will offer a wide range of business services, including offices, convention space, business libraries, secretarial services and advice on Japanese business practices, laws and taxes.

Perhaps the biggest attraction for those firms looking to reduce costs will be the business offices. Two types will be available. The first will be offered rent-free on a short-term basis (perhaps up to two months). These offices will serve as entry points to the Japanese market. Other offices will be available for rent on a long-term basis at a rate of 13,000 yen (\$130) for 3.3 square meters; this includes a management fee. This means that the Promotion Center will be one of the most cost-effective business centers in the nation.

Foreign companies and public organizations from Hong Kong, China, Australia and Vietnam have applied for tenancy. The Japan External Trade Organization (JETRO) will also occupy several offices within the center, serving as another information source for foreign companies. This center will be called the JETRO Osaka Rinku FAZ (Foreign Access Zone) Center.

"We firmly believe that this business promotion center will serve as the most convenient location for foreign companies entering the Japanese market," says Mr. Kobori. Sandy Taubenkimel, a U.S. management consultant based in Osaka, has identified the importance of such business facilities to those from outside of Japan. "Companies take office space into





## SPORTS

## Golf's Young New Phenom Has More Than Winning on His Mind

The Associated Press

Earl Woods knew he had a golfer on his hands the day he looked up from his own practicing and found his 6-month-old son staring back. What struck him then, and what strikes him now, was that the boy's expression never changed.

Hour after hour, swing after swing, for as long as the father could pound balls into a practice net in the garage, his son could sit still in a highchair, hypnotized. By 10 months, little Tiger loved the routine so much he insisted on being fed there. At one year, he wagged a sawed-off club over the ball and began pounding them into the net himself. A few years after that, he was beating his father at the game. At age 5, he was featured on the television program "That's Incredible."

It was just about then that Earl envisioned not just another golfer, not just the next superstar or golf's first black superstar, not even just the next Jack Nicklaus, but something else.

Something grander. Something on the order of a folk hero, something very much like the boxer Joe Louis had been for him when he was growing up. A source of pride. An inspiration to his people, to all people, maybe.

"Awwwwww," Tiger Woods said, letting his silence

on the telephone carry a moment of embarrassment, "I don't know about that."

The first time the subject is broached is the first time in 20 minutes of talking that Tiger sounds like what he is: an 18-year-old kid trying to squeeze the last few days of fun out of summer before he leaves home for the first time, to attend Stanford University. The usual good-byes have to be crammed in between the celebrations of one more ground-breaking feat.

On Sunday, Tiger won the U.S. Amateur, the most prestigious amateur golf tournament around, in the most dramatic fashion imaginable and became the youngest victor in the tournament's 99-year history.

Now everybody wants a piece of him — family, friends, tournament officials, the golf team, the media and who knows who else. People are waiting everywhere he turns, but Tiger takes pains to give a thoughtful answer. He wants people who only see him play golf to know there is substance behind the sizzle.

Through his play and the dozens of clinics he and Earl have staged in inner-city neighborhoods, he is attracting kids to the game in a way that cannot yet be measured.

"I think being a role model, in some ways, is already a reality," said Tiger, who grew up in Cy-

press, California. "And I know some responsibility goes with it. Sure, it would be great if everything works out, but who knows?"

His given name is Eldrick, but his father called

**Through his play and clinics in inner-city neighborhoods, Woods is attracting kids to golf in a way that cannot yet be measured.**

him Tiger almost from birth to honor a friend and fellow soldier in Vietnam.

"Will he be one of the great ones?" Earl repeated the question. "Let me say this first: As long as he is educated, a productive citizen and happy, that's enough for me."

"And if he chooses golf, I believe he will have — how should I say this? — comparable skills and ability to the great ones," he added. "Whether he will be as successful depends on the competitive nature of the PGA Tour when he gets out there. Obviously, the Tour is eons stronger than it was during Nicklaus's time."

But the same thing could have been said about any of the fields in which Tiger has played.

His love of the game, and his start, came from his father. But the brilliant shot-making, the touch, the nerve, the imagination, the cold-blooded putting stroke, the way he draws attention to himself, the unceasing desire to practice — those are all Tiger's.

For most of his young life, he was spotting his competition as much as 10 years. Because he hit the ball long and wild then, and now he hits longer and wilder, the victories weren't always pretty. But they were always victories.

He would hit the ball into the trees, find it, knock it on the green. If he hit two shots wildly, like some precocious Seve Ballesteros, he found a way to get the third into shooting range.

Tiger was 3-down with three holes to play trying to win the U.S. Junior Amateur for the third straight time last summer. He made three birdies and won the playoff with a par. He was 6-down early in the U.S. Amateur, made par twice from the trees, birdied two of the last holes, and clinched with a par on No. 18.

"Surprised?" he said. "No. You're not supposed to get rattled. The most surprising thing was that every time I had to play out of the trees, I had very good lies. All I had to do then was execute the shot."

"Surprised?" the father said. "No. I know how absolutely beautiful and pure he can strike the ball. He doesn't hit that way all the time, he's a kid. But it doesn't seem to bother him being in any corner of the course."

"He has," he concluded, "the heart of an assassin." All the great ones do. Nicklaus, Hogan, Watson — the thing they have in common is that all were great closers. On early form, Woods looks to be the best closer of them all.

"I played with him a couple of times," said Watson, who also played golf at Stanford, "and he seems solid in every part of the game. He's got length, he can putt and he looks like he can play at less than full speed. That's a real sign of maturity."

Watson, however, stopped short of predicting greatness. The kid, after all, has barely started shaving. "Only time will tell," he said.

But right now, the son has places to go and people to see. He has folded his father's plans into his own heart, carrying them with him always. He has hit every mark so far, but the only schedule Tiger feels pressured to keep at the moment is the one that calls for him to meet his girlfriend for a late dinner.

"She's ecstatic about the whole thing," he said, sounding 18 once again. "Gotta go."

## FIFA Snubs IOC Over Drug Rules

Reuters

PARIS — Soccer's world governing body, FIFA, said on Thursday that it would continue to defy the International Olympic Committee over doping rules and had not yet decided whether to accept the IOC's new rules.

After addressing the IOC Congress in Paris, FIFA's general secretary, Sepp Blatter, said that soccer officials saw no need to comply with IOC standardization of doping rules.

FIFA is the only Olympic international sports federation that has refused to sign an IOC agreement binding it to conform to standard doping procedures, including a common list of banned drugs and common sanctions.

The agreement stipulates that only federations signing the document may take part in the Games.

"You should ask the Atlanta Games organizers what they think of football being thrown out," Blatter said. "I don't see how football can be thrown out."

Soccer was a huge success at the last Summer Games held in the United States, in Los Angeles in 1984, and this summer's World Cup in the United States attracted record crowds.

Blatter said FIFA was prepared to accept IOC rules on doping only during the Olympic tournament.

He said mandatory rules on out-of-competition testing were not needed in soccer.

Soccer was involved in the most prominent doping scandal of the year when Argentina's World Cup captain, Diego Maradona, tested positive for the stimulant ephedrine.

Maradona was suspended for 15 months by FIFA last month.



ARGENTINES WIN CLUB SOCCER CUP — Marcelo Adrian Gómez, of the Argentine club Vélez Sarsfield, dribbling past a São Paulo defender in the final of the Libertadores Cup soccer tournament in São Paulo. The Argentines won on penalty kicks, 5-3, ending the Brazilian team's two-year reign as South American club champion.

## After 123 Years, FA Accepts Deal To Sponsor Cup

The Associated Press

WEMBLEY, England — The Football Association Cup, considered the world's oldest elimination soccer tournament, has finally succumbed to the modern-day lure of sponsorship.

The FA on Thursday announced a deal for the 123-year-old competition with the Littlewoods Pools company, which runs a weekly national soccer pool.

The four-year contract is worth £20 million (\$30 million) and is the biggest-ever deal of its kind in Britain.

While the FA long ago sold off sponsorship rights to its soccer leagues and the League Cup, it has resisted selling off its most famous attribute.

But England's failure to qualify for the 1994 World Cup created a shortfall of FA funds.

"We know how special this property is," said the FA's commercial director, Trevor Phillips. "It is a marvelous national asset, but the reality is that the FA needs funds to safeguard the future of the game, although we won't ever forget our responsibilities of maintaining the dignity and traditions of the FA Cup."

## SIDELINES

## NHL Won't Impose Camp Lockout

NEW YORK (NYT) — National Hockey League officials have told member clubs that there would be no lockout of players from training camps, which begin next week.

The NHL made the announcement Wednesday night. Although no formal threat to close the camps had been officially issued, it was widely expected throughout the league that camps would be closed by Gary Bettman, commissioner of the league, unless there was progress in negotiations toward a new collective bargaining agreement to replace the one that expired last September.

The two sides met for five hours Tuesday in Toronto and were expected to resume negotiations Thursday or Friday, possibly in New York.

## Indians Acquire Twins' Winfield

CLEVELAND (AP) — Despite doubts about whether the baseball season will resume, the Cleveland Indians moved to improve their postseason chances by acquiring Dave Winfield from the Minnesota Twins just before the 1994 trading deadline.

Winfield, 42 and a 12-time All-Star, will be available for the postseason if the strike ends, and if the Indians make their first trip to the playoffs since 1954. The Indians would be the American League wild-card playoff team based on team records up to the start of the strike on Aug. 12.

The deal was announced just before Wednesday's midnight deadline for postseason rosters. Winfield, under a \$2 million contract, played 77 games this season and hit .252 with 10 home runs and 43 RBIs. He will be a free agent at the end of the season, but reportedly waived a no-trade clause in his contract to join the Indians. Minnesota's general manager, Andy MacPhail, said the Twins made the trade to give Winfield "another chance at participating in postseason play."

## Ferrari's Berger Hurt in Taxi Crash

MONZA, Italy (AP) — The Austrian Formula-One driver Gerhard Berger was hospitalized briefly after a taxi in which he was riding was rammed by another car near the Monza racetrack, the Italian news agency ANSA reported.

Berger, who drives for the Italian team Ferrari, suffered a light neck laceration but was discharged from a hospital late Wednesday, the report said. The Austrian driver was expected to be at the Monza track Thursday for a series of tests of his Ferrari car for the Italian Grand Prix, which is scheduled on Sept. 11.

## For the Record

Prosecutors dropped assault charges against the New Jersey Nets forward Derrick Coleman, 27, saying they could not prove the case, in which the National Basketball Association player had been accused of beating up three teenagers outside a Manhattan bar on April 30.

Miguel Indurain, the four-time Tour de France champion, will not be allowed to use an innovative wheel fork or a laser beam to pace him in his attempt to break the world one-hour cycling record on Friday in Bordeaux, the International Cycling Union said on Thursday.

Gheorghe Hagi, the Romanian World Cup star, will miss his national soccer team's European Championship qualifier against Azerbaijan next week because of a strained thigh muscle. (Reuters)

## British Team Won't Quit Track Cup

The Associated Press

LONDON — British track's governing body announced Thursday that it would not pull its women's team out of next week's World Cup, despite pressures to do so after a positive drug test against the runner Diane Modahl.

"The British Athletic Federation will not be withdrawing its women's team from the World Cup final," said a federation statement. "The federation believes that it is an important

principle that guilt is never assumed, it must be proven."

The International Amateur Athletic Federation had called for Britain to pull its team out of the World Cup, Sept. 9-11 at London's Crystal Palace, saying it had a "moral obligation" to do so in the light of the results of Modahl's tests.

She tested positive for testosterone at a meet in Lisbon on June 18. A week later, she won the 800 meters at the European Cup, qualifying England for the World Cup.

The results of Modahl's "A" sample were reported to the British federation last week. The "B" sample was tested on Tuesday; it revealed a level of testosterone 42 times higher than normal.

In its statement, the British body cited IAAF rules that state that Modahl would not become ineligible until a hearing was conducted into the positive drug results.

The statement decried the long delay between the original test and the date the federation was informed of the result.

## Baseball's Non-Talks Fail

New York Times Service

NEW YORK — The owners' negotiators took three and a half hours to tell federal mediators they had nothing new to talk about. The players' labor representatives said the same thing in 15 minutes.

The result: No further talks are scheduled in the season-shattering baseball strike that on Thursday completed its third week. The mediators met Wednesday with both sides separately, then departed without public comment. But their silence shouted volumes about the state of the negotiations.

Call the talks recessed, adjourned, on hiatus, broken off or collapsed; the meaning is the same: No foreseeable hope exists that any part of the remainder of the season or the post-season can be salvaged.

## DENNIS THE MENACE



"CAN I GET A TATTOO IF IT SAYS 'MOM'?"

## PEANUTS



## GARFIELD



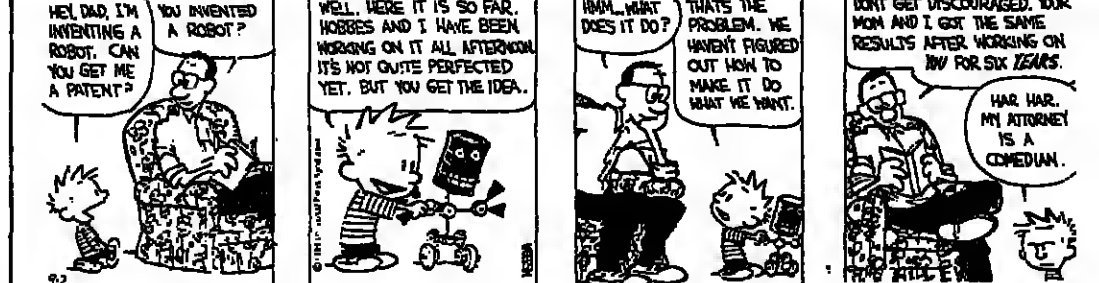
## BEETLE BAILEY



## DOONESBURY



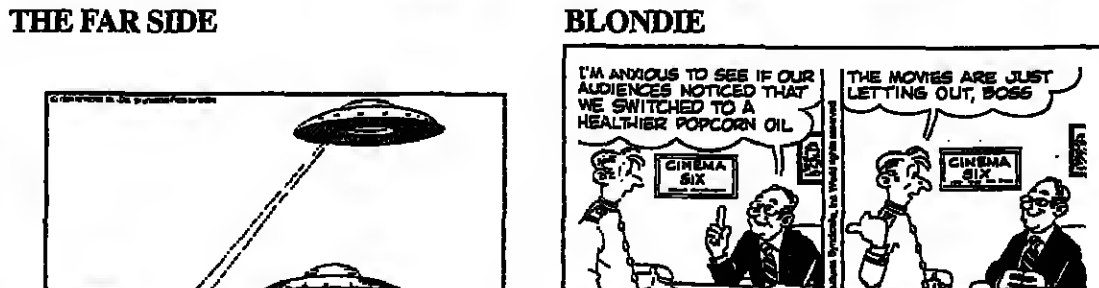
## CALVIN AND HOBBS



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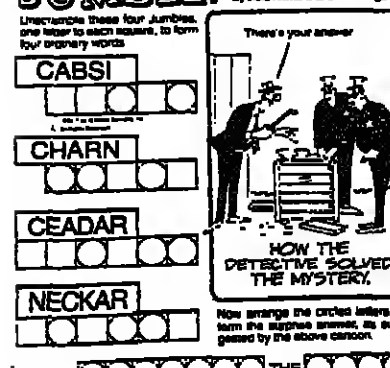
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## SPORTS

## Injury Forces Lendl Out, Graf Charges On



TAKING THE PLUNGE — Fu Mingxia of China performing Thursday as she took the 10-meter platform lead at the World Swimming Championships in Rome.

Compiled by Our Staff From Dispatches

**NEW YORK** — Ivan Lendl was forced to retire from his second-round match at the U.S. Open on Thursday, withdrawing because of a back injury in the third set against Bernd Karbacher of Germany.

Karbacher was leading 6-4, 7-6 (7-5), 1-0 when Lendl pulled out, but the veteran right-hander had held a 5-0 lead in the second set before his game collapsed.

In women's second-round matches, Steffi Graf, the defending champion and No. 1 seed, made quick work of Sandra Cacic of the United States after 10th-seeded Zina Garrison-Jackson made quick work of a shoe.

Two points into her match against Paola Suarez of Argentina, Garrison-Jackson left the court when her shoe fell apart. "I didn't have a pair," Garrison-Jackson said. "One of the players let me use theirs. I was pretty lucky that there was someone in the locker room with the same size foot."

With the borrowed shoes, Garrison-Jackson defeated Suarez, 6-4, 6-3.

As fate would have it, Garrison-Jackson's borrowed shoes came from Cacic.

"She said she had a new pair and an old worn-out pair," said Garrison-Jackson, who took the old pair. "Once it finally molded to my foot, it was fine. At the

beginning, it kind of felt like I was walking like a duck or something."

Graf made Cacic feel even worse, defeating the 19-year-old right-hander, 6-0, 6-2.

In other early matches,

No. 11 Amanda Coetzer of South Africa defeated Eugenia Manikova of Russia 6-2, 6-0; Austrian Judith Wiesner downed Caroline Kuhlman of the United States 6-2, 6-2; and Alexia Dechaume-Balleret of France stopped Maria Jose Gaidano of Argentina, 7-5, 6-3.

In men's second-round matches, No. 13 Thomas Muster stopped Maurice Ruah of Venezuela, 6-4, 4-6, 6-4, 6-2; and No. 15 Marc Rosset defeated Sweden's Nicklas Kulti, 6-4, 6-2, 6-7 (2-7), 6-2.

On Wednesday, Michael Chang used his speed and Pete Sampras used his power. Both ways worked, as Chang moved into the third round while Sampras grabbed a second-round spot. And where Sampras had

lost to Chang in a familiar and dangerous combatant.

"We're not players who can really serve you off the court or blow you off the court," Chang said of his opponent and fellow American, MaliVai Washington. "It's more or less a chess match. I tried not to take it into the fifth set because I knew he was not going to get tired."

Chang, seeded sixth, boosted his edge in their rivalry to 6-3 with a 4-6, 6-2, 6-3, 7-6 (7-5) victory.

Sampras, top-seeded and the defending champion, overpowered the South African qualifier Kevin Ullyett, 6-2, 6-2, 6-2.

Sampras had not played a match since mid-July due to tendinitis of the left ankle.

"The ankle is feeling fine," said Sampras, who has won four of the last five Grand Slam events. "I was pretty much happy with every aspect of my game."

From the 206th-ranked Ullyett's vantage point, the Australian and Wimbledon champion had not suffered much from the six-week layoff.

"His game is on another level," Ullyett said. "I think he looked pretty good today."

Another seeded women's player was knocked out of the year's final Grand Slam tournament.

Leila Meskhi of Georgia ousted No. 14 Anne Hübner of Germany, 6-2, 6-2.

In other matches involving seeded women, No. 2 Arantxa Sánchez Vicario, the French Open champion, downed Natalia Tauziat of France, 6-2, 7-6 (7-5); No. 3 Conchita Martínez, the Wimbledon winner, stopped Nicole Pietrangeli, 6-3, 6-3; No. 5 Kimiko Date downed Yone Kamio, 6-0, 6-2, in an all-Japanese battle; and No. 8 Gabriela Sabatini of Argentina, the 1990 U.S. Open champion, stopped the American Meredith McGrath, 6-4, 6-7 (5-7), 6-1. (AP, Reuters)

## What's in a Name? Excitement!

New York Times Service

**NEW YORK** — As the crowd filed from the subway to the National Tennis Center, a voice above the din lamented the fact that it was downright hard these days to know who any of the players were.

It is a widely shared complaint. "We try to come out every year, but we don't find it as exciting," said Jean Pedrick. "I don't think the names are out there that you used to see, and therefore the matches aren't there."

The yearning for a player with a personality strong enough to elicit love of hate was most evident during the final match of Monday night's session. As Richey Reneberg and Boris Becker battled through a grueling fifth set, the Stadium Court crowd repeatedly

chanted during change-overs: "We want Johnny Mac! We want Johnny Mac!" Eventually, McEnroe, who now analyzes the Open for a cable television network, stuck his

head out of his box to acknowledge the cheers.

On Tuesday night, the featured match was Jim Courier versus Aaron Krickstein, and that seemed to be enough for at least one fan.

"It's not a premier matchup, but it is still exciting," said Charlie Dellavechia. "But in any kind of sport, personality is always a plus. If performance means everything, personality adds excitement."

Much of the personality in tennis has disappeared with McEnroe, Jimmy Connors, Chris Evert and Martina Navratilova, who dominated the game and the stage in the 1980s.

But not everybody minds the notion that tennis is more vanilla than rocky road.

"We look forward to the Open," said Zenon Czujko, an annual visitor. "I find Gabriela Sabatini or Steffi Graf just as enjoyable. I found Mary Joe Fernandez pretty interesting this morning. She played nice."

## SCOREBOARD

## TENNIS

## U.S. Open

## Men's Singles

## First Round

## Andrei Medvedev (R), Ukraine, def. Gilbert Schaller, Austria, 6-3, 6-4, 6-1; Jaime Yzaga, Peru, def. Gabriel Markus, Argentina, 7-4 (7-6), 6-2, 7-5; David Witt, U.S., def. Wally Masur, Australia, 6-2, 3-6, 7-5, 6-1; Karol Novacek, Czech Republic, def. Alexander Volkov, Russia, 6-3, 3-6, 6-1, 7-5; Daniel Vacek, Czech Republic, def. Vases El Armas, Morocco, 6-7 (5-7), 7-5, 6-1, 6-1; Mark Patchev, Britain, def. Karol Kucera, Slovakia, 6-4, 7-6 (7-5), 6-3; Yevgeny Kafelnikov (L), Russia, def. Jacco Elst, Netherlands, 7-4 (7-6), 7-5, 6-3; Martin Damm, Czech Republic, def. Fernando Meloni, Brazil, 6-2, 6-3, 4-6, 6-4; Karim Alami, Morocco, def. Alberto Costa, Spain, 6-1, 7-5, 6-2; Joern Benzenberg, Germany, def. Grant Stafford, South Africa, 6-1, 6-4, 6-4; Pete Sampras (L), U.S., def. Kevin Ullyett, South Africa, 6-0, 6-2, 6-0; Alex Ibric, U.S., def. Paul Haarhuis, Netherlands, 6-3, 7-6 (7-5), 6-3; Christian Bensch, Sweden, def.

## Tommy Ho, U.S., 6-3, 6-4, 7-6 (7-5); Jonas Bjorkman, Sweden, def. Jonathan Stark, U.S., 6-2, 6-2, 7-5; Marcos Ondruska, South Africa, def. Alberto Benitez, U.S., 6-1, 6-2, 6-3; Francisco Clavet, Spain, def. Jean-Philippe Fleurbaey, France, 6-3, 4-6, 6-3, 6-2, 7-6 (7-5); Byron Black, Zimbabwe, def. Patrick McEnroe, U.S., 7-4 (7-6), 6-2, 6-4.

## Second Round

## Jim Grabb, U.S., 6-2, 6-3; Ellis Ferreira, South Africa, 6-4, 6-6, 6-3; Michael Chang (L), U.S., def. Matt Whitman, U.S., 4-6, 6-2, 6-3, 7-6 (7-5); Bernd Karbacher, Germany, def. Ivan Lendl, U.S., 6-4, 7-6 (7-5), 1-0, ret.

## Women's Singles

## First Round

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## Cinco Helsen, U.S., 6-2, 6-3; Ann Carlsson, Sweden, 6-1, 6-1; Isabelle Damanovic, France, def. Rodica Zrnbokova, Slovakia, 6-4, 6-1; 6-1; Natalia Medvedeva, Ukraine, def. Amy Frazier (L), U.S., 6-2, 6-7 (3-7), 6-4; Mary Joe Fernandez (L), U.S., def. Patty Fendick, U.S., 6-2, 7-6 (7-5), 6-4; Arantxa Sanchez-Vicario (L), Spain, def. Nathalie Tauziat, France, 6-2, 7-6 (7-5); Elena Likhovtseva, Kazakhstan, def. Silvia Farina, Italy, 7-5, 2-6, 6-3.

## Second Round

## Cinco Helsen, U.S., 6-2, 6-3; Ann Carlsson, Sweden, 6-1, 6-1; Isabelle Damanovic, France, def. Rodica Zrnbokova, Slovakia, 6-4, 6-1; 6-1; Natalia Medvedeva, Ukraine, def. Amy Frazier (L), U.S., 6-2, 6-7 (3-7), 6-4; Mary Joe Fernandez (L), U.S., def. Patty Fendick, U.S., 6-2, 7-6 (7-5), 6-4; Arantxa Sanchez-Vicario (L), Spain, def. Nathalie Tauziat, France, 6-2, 7-6 (7-5); Elena Likhovtseva, Kazakhstan, def. Silvia Farina, Italy, 7-5, 2-6, 6-3.

## Women's Singles

## First Round

## Cinco Helsen, U.S., 6-2, 6-3; Ann Carlsson, Sweden, 6-1, 6-1; Isabelle Damanovic, France, def. Rodica Zrnbokova, Slovakia, 6-4, 6-1; 6-1; Natalia Medvedeva, Ukraine, def. Amy Frazier (L), U.S., 6-2, 6-7 (3-7), 6-4; Mary Joe Fernandez (L), U.S., def. Patty Fendick, U.S., 6-2, 7-6 (7-5), 6-4; Arantxa Sanchez-Vicario (L), Spain, def. Nathalie Tauziat, France, 6-2, 7-6 (7-5); Elena Likhovtseva, Kazakhstan, def. Silvia Farina, Italy, 7-5, 2-6, 6-3.

## Second Round

## Cinco Helsen, U.S., 6-2, 6-3; Ann Carlsson, Sweden, 6-1, 6-1; Isabelle Damanovic, France, def. Rodica Zrnbokova, Slovakia, 6-4, 6-1; 6-1; Natalia Medvedeva, Ukraine, def. Amy Frazier (L), U.S., 6-2, 6-7 (3-7), 6-4; Mary Joe Fernandez (L), U.S., def. Patty Fendick, U.S., 6-2, 7-6 (7-5), 6-4; Arantxa Sanchez-Vicario (L), Spain, def. Nathalie Tauziat, France, 6-2, 7-6 (7-5); Elena Likhovtseva, Kazakhstan, def. Silvia Farina, Italy, 7-5, 2-6, 6-3.

## Women's Singles

## First Round



